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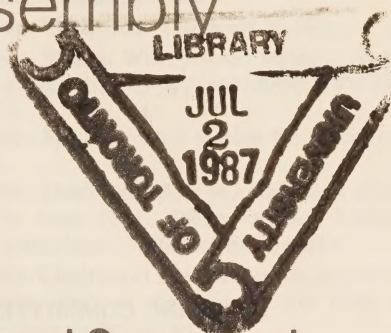


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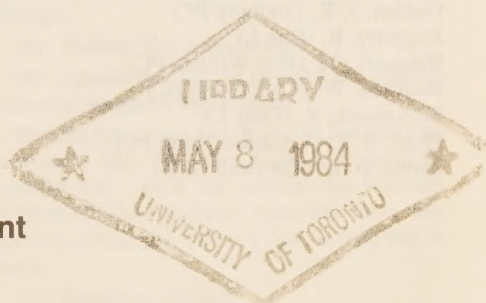
Hansard

Official Report of Debates

Legislative Assembly of Ontario



Standing Committee on General Government
Estimates, Office of The Assembly



Fourth Session, 32nd Parliament
Wednesday, April 25, 1984

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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STANDING COMMITTEE ON GENERAL GOVERNMENT

Chairman: McLean, A. K. (Simcoe East PC)
Vice-Chairman: Harris, M. D. (Nipissing PC)
Eakins, J. F. (Victoria-Haliburton L)
Foulds, J. F. (Port Arthur NDP)
Gillies, P. A. (Brantford PC)
Gordon, J. K. (Sudbury PC)
Haggerty, R. (Erie L)
Hennessy, M. (Fort William PC)
Hodgson, W. (York North PC)
McKessock, R. (Grey L)
Piché, R. L. (Cochrane North PC)
Samis, G. R. (Cornwall NDP)

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, April 25, 1984

The committee met at 10:09 a.m. in committee room 1.

ESTIMATES, OFFICE OF THE ASSEMBLY

Mr. Chairman: We are dealing this morning with the estimates of the Office of the Assembly. Vote 1101, item 1, office of the Speaker, is number one on the list.

I would like to get some consensus from the committee on how we should handle the Ontario Electoral Boundaries Commission. I am sure there are some who would like to have them before the committee.

Mr. Eakins: Do they appear today?

Mr. Chairman: No, I do not think so. I would recommend that we have two hours today and leave two hours for later on some time to deal with that commission, if members would like. We can decide at the end of this meeting when we would like to deal with them.

The clerk informs me they have their meetings set for Wednesdays for some time up until June.

Clerk of the House: Mr. Chairman, I believe that whoever comes for the election office next week will probably be briefed to answer questions about the boundaries.

Mr. Stokes: Mr. Chairman, Mr. Bailie is a member of that commission.

Clerk of the House: Yes, he is the vice-chairman. However, I do not think he will not be here next week either because he will be on a hearing. Whoever he sends for the election office will probably be briefed.

Mr. Speaker: Mr. Chairman, the commission will be sitting Wednesdays all the way through until the end of May.

Mr. Stokes: And we are scheduled to sit Wednesdays.

Mr. Speaker: Yes. I do not know whether you want to peruse the budget and make a decision as to whether it is necessary for them to be here at all; it is pretty straightforward.

Mr. Stokes: I have no strong feelings about it one way or the other so long as they maintain the status quo north of the French River.

Mr. Speaker: Yes, I understand that.

Mr. Eakins: Mr. Chairman, I do not think we have any strong feelings about it either. We

would certainly like an opportunity to talk to the representative of the boundaries commission.

Mr. Speaker: They get that next Thursday.

Mr. Eakins: Yes, that is fine; next Thursday. Officially and unofficially.

Mr. Chairman: Perhaps next Wednesday there will be someone here who could answer a couple of questions.

Mr. Speaker: I doubt it.

Mr. Chairman: You doubt it? Okay.

Mr. Stokes: What you are saying is that we are going to sit only two hours today and adjourn at 12.

Mr. Speaker: That is what the schedule is, yes.

Mr. Chairman: And two hours next week.

On vote 1101, Office of the Assembly program; item 1, office of the Speaker:

Mr. Chairman: The Speaker has no presentation to make at the present. Are there any questions on the budget?

Mr. Stokes: It is traditional for ministers to have opening remarks.

Mr. Speaker: Yes, but as a matter of fact the estimates are so straightforward and involve such a minimal increase—in fact, decreases all the way through—

Mr. Stokes: Not necessarily.

Mr. Speaker: —that we thought any opening statement might be superfluous.

Mr. Stokes: I can understand you want to be provoked, Mr. Speaker. I am not going to provoke you, but if the member for Victoria-Haliburton (Mr. Eakins) does not have any opening comments, I have a few I would like to make.

Mr. Speaker: All right.

Mr. Chairman: The member for Lake Nipigon (Mr. Stokes) can go ahead and we can come back to the member for Victoria-Haliburton, if that is what he wants.

Mr. Stokes: Mr. Speaker, you are asking for a very modest increase in the overall estimates of the Office of the Assembly. There are some fairly dramatic changes as you go down the list, but the overall effect is a modest increase of some \$16,100. But I would like to talk about the office

of the Speaker for a moment and four things that come to mind.

The first point is television in the Legislature. Every once in a while certain members get up and are quite critical about the way in which the electronic media treat, almost with disdain, what goes on in the Legislature.

Mr. Piché: Especially the back-benchers on our particular side.

Mr. Stokes: They come in for question period and if there is something that turns them on with a 30-second clip, they will run out and get it. They do not pay too much attention to opposition members and back-benchers, as my colleague the member for Cochrane North (Mr. Piché) says. If they can get a quick fix, that is what this place means to them.

It seems to me that members generally work very hard at what they do; that work does not always get the kind of attention it deserves. If it were not for the mailing privileges that members enjoy as a result of the implementation of the Camp commission report, we would not have the wherewithal to communicate with our constituents which we enjoy under the present setup.

Having had some responsibility for this in the past, it seems to me that one of the greatest inhibiting factors to an electronic Hansard has been the cost and the quickly changing hardware available. When you look at what it cost Quebec to set up its system and what it cost the House of Commons in Ottawa to set up its system and the ongoing operating costs, it was considered to be prohibitive, balancing off from benefits that might accrue.

I do not think that is the case any longer. Saskatchewan has set up a system for a much lower cost than was the case over in Quebec City and Ottawa. They do have the wherewithal to capture all of the gems of wisdom that emanate from their place and which would be the case here, and it would give the impression that at least somebody out there is interested in what goes on in the highest court in this province.

There was some indication that TVOntario might be interested in being the vehicle if the proper arrangements could be made. You will recall, Mr. Speaker, that they did an excellent job three or four years ago, I guess it was, during the debate on the Constitution. They did an excellent job, I understand, in videotaping both in English and in French; I guess it was even live, for those who wanted it, both in English and in French.

You will recall that we used to have quite an active Speaker's committee made up of all members of the Legislature and the members of

the press gallery. There really was not very much of substance to deal with on an ongoing basis and that has sort of fallen by the wayside.

But there are certain members who feel very strongly about an electronic Hansard, particularly the two opposition House leaders. They get up and raise it from time to time, and I was asked by our caucus to raise it with you to see whether you could not become a little bit more active and see what the costs are, see how the situation is working in the only other jurisdiction that seems to have implemented this at a relatively modest cost, and see whether or not they have had sufficient experience with it to give us some idea of how it is working and how worth while it might be to implement in this place.

The other thing that I know causes you a great deal of trouble from time to time, although you have not had any difficulty with it of recent date, is security in the Legislature. I know there is a wide divergence of opinion as to the amount and type of security we should have around here, but when you see what goes on in other jurisdictions, perhaps it is something we should be thinking about from time to time to make sure that, at a modest cost and without making it a bunker situation, we can be in a position to handle anything that might come along.

I am not suggesting I have any knowledge of anyone trying to upset the orderly way in which we do our business around here, but there was some talk of having electronic devices at the approach to the public galleries, and there are a few things that I think we should be talking about.

I know you or Mr. Fleming liaises from time to time not only with our own security forces but also with others that come in. They do an excellent job of it, by the way, because they have a lot more evidence of what is going on in the city generally and of what might take place within these precincts. We do not necessarily want to know about them, but we would like to be assured that the kind of security we have and the way in which they do their business around here continues. Perhaps you might want to make a comment on that aspect of it.

10:20 a.m.

The third thing I want to talk about deals with the other agencies that report to the assembly through you, Mr. Speaker. You have to carry the can for them but you are not really in a position to do anything about it, other than to act as a messenger—and I do not fault you for that; it is the way we have done things around here in the past, and I do not think it serves us well. I know the

invidious position it puts you in from time to time.

I am thinking of the Ombudsman, the Provincial Auditor, the Commission on Election Contributions and Expenses and the chief election officer. The Board of Internal Economy, which you chair, has to screen those estimates and oversee what they do generally, because you are the one person whom they use as a vehicle for reporting to the assembly as opposed to a ministerial responsibility.

In that regard I would like to see the office of the Speaker elevated to a ministerial position. If there is an extra emolument that goes with that, so be it. But it seems to me it puts you in a sometimes embarrassing position where there is no specific minister who is responsible for some area of business. We cannot point to a specific minister, and when you are asked a question you of necessity have to shrug your shoulders.

Mr. Speaker: I do not think I shrug my shoulders, but there is not much I can do, you are right.

Mr. Stokes: That is right. Maybe you wiggle your ears, I do not know; but there is not much you can do about it and I think that is unfortunate.

By way of example I would like to remind you that for a number of years now the commission on election expenses, when it was under Mr. Wishart and now under the incumbent, has sent a number of amendments through you for the attention of the assembly so it can clean up its act. They are not earth-shaking amendments, but it would certainly facilitate the way in which they do business if they could have those kinds of amendments.

I cannot recall any of those amendments being acted upon. We go through the same ritual every year of having the chairman before us and asking, "What is the status of those amendments?" He says: "We are not really sure. We presented them to the Speaker, and we can assume they have gone to the government House leader," who, in his own time and for whatever reason, might deign to introduce them and make the job of that commission much more effective and bring it into 1984 and 1985.

This has not happened, and I want to say that when we do have the commission on election expenses come before us to give an account of their stewardship, I am going to ask the same question of them: whether they have had any results. If they have not, I would like to see us do something fairly dramatic in this committee by saying that we approve the estimates of the Office of the Assembly, but we would like some

indication from the government House leader that he is prepared to act on those and make it a condition of approval.

This is not to be mean-spirited about the whole thing, but just to draw attention to the fact that there really is no vehicle for you, Mr. Speaker, to respond to the legitimate requests of those agencies that report to the assembly through you.

I know you cannot personally do it, being in the middle, but there should be a vehicle for doing so. I do not think things of that import should be left to the whim of any particular person. I have no idea why he is reluctant to bring in amendments that would facilitate the job that commission does for us and, I must say, does very well.

The status quo is not good enough. Perhaps the clerk can come up with an idea on how we can reorganize the way we do things, to make it easier for the Speaker, to give him a little clout when he needs it and, in a dramatic way, to bring to the attention of the assembly generally that there is business left undone out there. If we as an estimates committee do not do something about it, we will be remiss and will not be doing the job assigned to us.

The final opening comment I would like to make concerns the trips that are taken by members of the assembly for whatever reason, either under the aegis of the Speaker's office or through the activities of standing and/or select committees. I notice there is an extra amount in the budget of the office of the Speaker for \$2,400 for six members to participate in the proposed conference on environmental perspective and governance, sponsored by the Niagara Institute, whatever in hell that is.

There must be a legitimate reason for six members going there, but that is not the reason I raise it. The member for Perth (Mr. Edighoffer) journeyed to Nairobi in Kenya last fall and favoured us with a report of what went on, to give us a better idea of what the Commonwealth Parliamentary Association is all about and to share that with all members who care about such things, as we all should because it is a unique family of countries which sponsors the kind of communication that is absolutely necessary if we are going to maintain constitutional democracy as we know it today. Mr. Edighoffer did an excellent job, and I would like to see more of it.

One of the clerks we normally see at the table has not been there for a number of weeks. I saw him there yesterday afternoon. He did not seem to be suffering from any jet lag or anything. We have done without him at the table for about three

weeks. Frankly, I did not see any difference. I saw the two people who were there carrying on as usual.

I am sure he will find something to do now he is back, but I would like a report from him. It seems to me he was over there for about three months. We should have the benefit of what he learned, what he was exposed to and whether it was worth while—maybe not to whom he was exposed.

It is important, though, that we have the benefit of the experience he shared with some of his colleagues at the various tables in the Commonwealth family while he was over there. I would like to see more of that kind of thing take place.

10:30 a.m.

This year is an excellent example. It was unfortunate the Legislature was not in session when the Commonwealth celebrated Commonwealth Day. There was no mention of it around here at all. I think the actual date was at a time we were not in session. That was unfortunate. I think we could have taken advantage of the first opportunity to remind ourselves and others that we do have a very close relationship with other jurisdictions in Canada, including the federal government, and with places like Britain, Australia, New Zealand, the Caricom community and other Third World countries that are members of the Commonwealth Parliamentary Association.

We pay our way, although I see the amount is down this year and I am going to ask why it is down. That is the amount we pay on a pro rata basis to the working capital fund to help other jurisdictions that are just coming off juntas of the left or the right and trying to set up a constitutional democracy. We have assisted them in the past, and I hope we will continue to do so.

As long as everything is going all right for us, we tend to forget about our relationship with other jurisdictions. That is most unfortunate. Either through the parliamentary and public relations office, which is under your auspices, Mr. Speaker, or through the clerk at the table, I would like to see somebody who could get a newsletter going, in addition to what we get from Sir Robin Vanderfelt from time to time.

It is important to remind ourselves that the system of government we have in this jurisdiction did not happen by accident. It was the result of a good foundation that was laid by people many years ago. We do from time to time remind ourselves of what parliamentary democracy is all

about, but every so often we become a little bit lax and complacent and we take it for granted. If we do that, we do so at our own peril.

We do not miss what we have until somebody tries to take it away from us. Every once in a while we need to prick our consciousness and make sure we appreciate where we are now and strive to improve upon it and, even more important, share what we have, share our experiences with those less fortunate. We see what goes on in other jurisdictions that have much less freedom than we have. Some of them have never known real freedom.

In this jurisdiction we are in perhaps the most affluent province in the richest country on the face of the earth. Maybe we get a little bit too lazy, too apathetic, too complacent. As I said earlier, if we do that, we do so at our own peril. I would like to see us do more in this regard, and I would like the Speaker to comment on those opening remarks.

Mr. Chairman: We will have the Speaker comment after we have had the rest of the presentations.

Mr. Eakins: Mr. Chairman, I want to make a few brief comments. I will certainly be making other comments as we go along under the different votes here. In his reply, the Speaker might want to talk about the office generally, which might have been appropriate in some opening remarks, but is just as appropriate after comments from the various parties here in regard to some of the concerns that have been raised.

I want to associate myself with some of the remarks of my colleague the member for Lake Nipigon, particularly as to the influence of the office of the Speaker in regard to increasing our knowledge of other jurisdictions. That comes under the authority of the Speaker. We do belong to a parliamentary democracy, and our Commonwealth Parliamentary Association is very important. Right within our own country of Canada we should be taking every opportunity, and we should have the influence and support and encouragement of the office of the Speaker, to make sure we get to know more about the great associations to which we belong.

Two years ago, along with the Speaker and half a dozen other members of this Legislature, we took part in the Commonwealth Parliamentary Association meeting in Yellowknife. To me that was one of the great experiences. For the first time we were able to really have a look at parts of our own country in the Northwest Territories.

To me the experience of visiting Rankin Inlet, Baker Lake, Eskimo Point and other places

before going to Yellowknife was a great highlight. It certainly made us aware of some of the great areas of this country we sometimes may not pay enough attention to or be a part of.

I certainly echo what my colleague has said. I think we should be taking every opportunity, and not be afraid to take the opportunity, to get to know parts of our own country and the system to which we belong. I think sometimes we are afraid to extend ourselves for fear of criticism.

One area I might mention, although it does not come under the direct responsibility of the Speaker, is the fact that we sit around our tables at Queen's Park and we do not even know the jurisdictions we are administering right here in our own province. There are responsibilities of the various ministries across this province that many of the members have never heard of.

I think of my own county of Haliburton, where the Ministry of Tourism and Recreation has a great facility, a leadership camp at Bark Lake. I venture to say that, other than perhaps the member for Hastings-Peterborough (Mr. Pollock) and one or two others in the House, very few members even know what the name means. I think we should be moving out to take a look at the areas of jurisdiction over which we should be exerting some concern.

In that sense, I associate myself with any responsibility the Speaker can take to influence us in getting to know more about our parliamentary systems. I think it is very important. I also support the idea that the office of the Speaker should have a high profile and should be encouraged to have the respect and the leadership it deserves.

There are a couple of other areas I want to touch on. One is the media gallery. It bothers me when the electronic media, the TV cameras, sometimes pick up half way through question period. I think it should be part of their responsibility to cover the whole question period and not head out as if question period is not important or as if there are only one or two areas they should cover and then they should leave. I think they should be rebuked for their attitude, towards question period in particular.

I also wondered if the Speaker might want to comment on security. At one time it was my feeling that perhaps we do not have sufficient security, but I think we have been very fortunate in that we have not had any particular problem, or certainly not a very visible one. If we can keep our building here available for people to visit without a lot of visible protection, that is a good approach. On the other hand, many things do

happen, and I wonder if the Speaker might bring us up to date on that.

10:40 a.m.

Compared with other jurisdictions, as we walk into Queen's Park, it almost gives us the feeling there is very little security other than the security officers at the doors. When I go to Ottawa, the security is very tight; when I go to the House of Commons in Great Britain, it makes me think we have very little security here. Of course, in other jurisdictions such as Israel and others, it is very visible. I think we have to be aware of what can or might happen and, within the bounds of what the Speaker might be allowed to answer, he might just bring us up to date on that particular area.

Other than that, I do not have a great deal of comment at this time.

Mr. Ruston: Mr. Chairman, I had some general comments. I do not know whether or not you want the Speaker to reply to them.

I have been a little concerned about some of the things Mr. Stokes mentioned. One was whether the Speaker should have the profile of a cabinet member or a minister of that degree.

Mr. Piché: As a deputy minister he would have more power.

Mr. Ruston: I am not sure that is what we really want. I suppose that is one of the ways the Speaker can have certain powers he perhaps does not have now. I want him as separate from the government as he can be, but it would create a problem if we were to start doing something such as that. I am not sure that is the answer to it.

Our real problem is with the Commission on Election Contributions and Expenses. I know Mr. Eakins has contacted many members privately about 10 or 12 amendments he would like to have in the act. The problem is that if the bill comes before the Legislature in the normal routine, the members are generally allowed to speak on everything that is already in the bill.

Of course, I know the reason the bill has not been coming forward and I am sure the member who spoke on it previously may have heard this. My understanding is the government is not prepared to have the bill come up for a complete debate and that is why it is holding off on the bill.

Maybe there is something else we should be doing for an organization such as this, something that is within the jurisdiction of the Speaker. I do not know if this is possible because we really are only supposed to speak about what is before the House. Sometimes we get in the Legislature and speak on other things that are not before us.

However, where a commission of the House has been appointed to carry on certain duties, maybe those bills should come through the Speaker's office and only the exact amendments we are dealing with, and nothing else, should be debated. It might partly solve the problem, but I am not sure that is feasible.

That would then allow someone such as Mr. Eakins, who is quite concerned about the act and how it is administered, to put through some amendments that will allow the commission to operate better and more efficiently. He is tied up because, as soon as the act comes before the Legislature, under the normal rules it comes in open debate. As many of the members know, there are variants in the act that many members of the Legislature do not agree with and want changes in to make it similar to the one in Ottawa.

Quite frankly, in my opinion, that is the reason the amendments to that act have never come forward.

As far as protection in the House is concerned, that is something I do not know whether anyone will ever resolve completely. I have often thought we should have something in the public galleries. We have talked about having some form of protection up there so that people could not throw anything down. I often think of myself. When I see some commotion in the gallery, my first instinct is to get near the wall.

My dad told me that back 100 years ago in the old bars—my dad did not drink much, but once in a while he would go into the bar—he always sat against a wall so he could protect himself from anything that went on. My first instinct is to get back against a wall and look up. That way I know no one is coming from behind. I am not like member for Sudbury East (Mr. Martel), worrying about somebody checking you from behind in hockey, but I like to protect that part of it.

I would be more inclined to favour metal-protection devices that buzz when people go through. I have to go through the airport quite a bit. They are strange things too, though, because sometimes you go through and they will buzz if you have keys in your pocket and other times you go through with the same keys and they do not buzz. I am not sure why that is, but I find it happens on a number of occasions.

I do not think I have anything other than that.

Mr. Chairman: Do any other member have anything to put before the Speaker? If not, Mr. Speaker could reply.

Mr. Speaker: Mr. Chairman and members, let me deal with those matters that were raised.

On television coverage, as you may recall, we did an extensive study within the Office of the Assembly, visited all the jurisdictions that have TV coverage and gathered costs, saw the way the equipment worked and so on.

There is no doubt the system in Saskatchewan does seem to be a model that one would want to use as an example. It is very successful. It can be operated by one person, although they have three people on staff to look after it.

The problem here, quite simply, is rather complex. It is not just one of cost, although obviously cost is a major factor. In other jurisdictions that supply TV coverage, they are able to make arrangements for broadcasting. In Saskatchewan, they have to pay for it on a cable system they have there. It is quite a sizeable sum of money, even though it is a less populated area.

Ontario, and Toronto in particular, being the base of media business in Ontario, produces some other rather important problems that were raised at the Board of Internal Economy. Quite obviously, if or when a decision is made, there are going to have to be some very strict rules and guidelines laid down as to the coverage, the operation and so on.

It was rather interesting to find, in visiting other jurisdictions this year, that they are grappling with similar problems. Members are not complaining, but they are concerned about the lack of reporting back to their constituents to show what their member is doing and so on.

At the moment it is lying dormant because of a decision that was made at the Board of Internal Economy not to pursue it any further. It is a matter of ongoing interest, but at this point nothing is being pursued because of the current economic climate. That decision was made at the board and until things turn around a bit, unless somebody brings it up or raises it again, I am not aware of any particular—

10:50 a.m.

Mr. Stokes: Can you be more specific about the way in which it was handled? Obviously, this is a decision taken by the Board of Internal Economy. I do not necessarily talk to them directly about it, but when I hear what the member for Brant-Oxford-Norfolk (Mr. Nixon) and the member for Sudbury East say from time to time, obviously they must be on side. There are government members on the Board of Internal Economy who have taken a conscious decision that they should not proceed at this time.

Is it a matter of cost? Is it a matter of the physical characteristics of this building or is it a

conscious political decision not to proceed at this time?

Mr. Speaker: As I said, it is a complex issue. The first two items you raise are significant. Major expenditures will have to be made for changes within the building to supply services and facilities. That is going to raise some serious problems from an aesthetic point of view, and it is going to raise some serious problems concerning the overall services in the building itself, particularly in relation to the wiring. As you are aware, and this seems to be going on for ever, the Ministry of Government Services is presenting a plan for changes to the building on an ongoing basis. That is one of the things it is going to have to consider.

In addition to that, some significant problems have been raised by the media themselves. In all honesty, they are problems that are going to have to be dealt with.

Mr. Stokes: Could you be more specific? Is it the radio segment of the gallery or the printed media that are afraid that, if we have an electronic Hansard, it might pre-empt what they deem to cover from time to time around here? I know there used to be a sort of push-pull at one time.

The people who sit up in the press gallery do not necessarily feel the same way about the coverage of this place as the electronic media do. If there is some problem in that area, let them battle it out among themselves. I do not think we should sit idly by and wait until the printed media work out their differences with the electronic media. I know there is that kind of conflict.

They are there on sufferance. They are strangers and we tolerate them around here for obvious reasons. They have the freedom of the press, but they should not inhibit our ability to come up with the kind of system that a relatively small jurisdiction such as Saskatchewan has come up with. That is not even a good excuse, let alone a reason for failing to proceed with it. I realize there is some validity to some of the other arguments you have made.

I do not think cost is a lot in the overall scheme of things; it used to be a lot, but it is not any more. The physical characteristics of the building cause some problems. We spend a lot of money around here to sponsor TVOntario. I do not think we collectively would have much trouble convincing them they have a responsibility to do whatever they can to disseminate that information, because it is our network. While it is never going to be viable economically, we can at least

begin to look at it as a vehicle for carrying that information to the public.

When I visited Quebec City shortly after the system there came into effect, I was told there was much interest in the coverage of what was going on. It was a fairly significant time in the history of Quebec because of the major problems they were grappling with. There were as many people watching the proceedings of their assembly as there were watching anything else on their cable system.

We want to package it in such a way that we make it interesting. I think it would smarten us up too, not only in the way in which we conduct ourselves, with some degree of civility and decorum, but also in the kinds of things we say and the kind of use we make of our time in the assembly.

I am sure if all members knew the eyes of the world were upon them, the quality of debate would improve substantially. People would do their homework and they would say: "This has a possibility of going back into my constituency. Therefore, if I am going to ask for the floor, I had better have something useful and worth while to say."

Thus, there are a lot of advantages to it. I do not think excuses for not doing it—at least any I have seen—are a valid reason for not beginning the process of having an electronic medium.

Mr. Speaker: Let me assure you there is not any conflict among any of the media. The concerns that were raised were raised by the television people themselves.

It is very difficult to make a comparison with, let us say, Quebec. It is even more difficult to make a comparison with Saskatchewan. As I said earlier, Toronto is the centre of the electronic media business in Canada. They obviously have a lot more competition for time than other jurisdictions. People have a much wider choice of what to watch here than they do in virtually any other place.

Therefore, the competition for time itself—

Mr. Stokes: That just is not the case.

Mr. Speaker: With all respect, it is true. It was an argument that was very—

Mr. Stokes: TVOntario carries Ottawa's question period.

Mr. Chairman: You are out of order, Mr. Stokes.

Mr. Stokes: I am not out of order, sir. I was just correcting the record.

Mr. Speaker: I am not talking about TVOntario per se; I am talking about the

electronic media on the commercial networks, if you will. They do have some very strong reservations; let us put it that way.

However, over and above this—and let me get back to this—there are going to have to be some very significant and very expensive renovations made to this building to accommodate it.

Security is an ongoing concern.

Mr. Piché: Mr. Chairman, before we move on—

Mr. Chairman: We have had three people who have asked questions and we want to see if we can answer them.

Mr. Piché: I know, but while we are talking about television in the House—

Mr. Chairman: No. You can ask anything after he has done his presentation. Please continue, Mr. Speaker.

Mr. Speaker: Okay. Security is an ongoing concern.

Mr. Harris: Good ruling, Mr. Chairman. We will never get to the other stuff. Mr. Piché, whose side are you on?

Mr. Piché: I am going to vote for a new chairman in about five minutes from now.

Mr. Speaker: Security is something with which I think we have been very fortunate. I think we have done a good job with the resources we have at our disposal. Our security staff have been extremely vigilant. They have regular meetings with me and with others to make us aware of what they see as ongoing problems. These seem to be dealt with in a very quiet, unobtrusive manner.

Regarding the matter of putting in electronic surveillance, I would remind all members that I met with the three House leaders. At that time, many items were considered. You may recall the security screen in the assembly itself was one. Electronic surveillance was another, which seemed to be more popular than the rest.

11 a.m.

However, the decision was made, quite consciously, not to pursue it any further, but to alert all the security people—as they are well aware anyway—of the concerns of the members and, of course, of the general public. As I say, I think they have done an extremely good job and have handled themselves extremely well.

Reporting by the various commissions and agencies to the assembly through the Speaker is a bit of a problem. It is a statutory requirement and it is laid down how it is going to be. I am not sure whether there is any better way of doing it, unless

it could be referred by the Speaker to a particular minister to be responsible for answering questions. That in itself raises some significant problems, but it is something that will be taken into consideration. Perhaps, together with the Clerk of the House, we can have some recommendations made on that.

The suggestions for amendments to legislation which come through from time to time fall in the same category. They are a very difficult thing to deal with. The normal procedure is for me to pass them along to the Clerk of the House and to the government House leader. The government House leader is responsible for the business of the House, in consultation with the other two House leaders. Usually, as I understand it, the business of the House is made up by a consensus of the three. The problem would be to have the House leaders get together and decide the priority and importance of the legislation or of the proposed amendments.

Travel with the Commonwealth Parliamentary Association and meeting with the Niagara Institute are ongoing interests of mine and of many others. The idea of having the Niagara Institute involved was to involve the members—whether the number was six or whatever it was going to be—in discussing topical concerns of the day as they relate to the province and to the specific ridings, keeping in mind the overall benefit to and welfare of the people of Ontario in general.

This is a recommendation, if you will. It is something that is under consideration. There has not been any definite action taken, but it is something I personally support very strongly. We will be having a regional meeting in Ottawa in the next week, and this is one of the matters that will be discussed.

Mr. Stokes: Was it moved and passed by the Board of Internal Economy?

Mr. Speaker: Yes, it has been approved, but the board has not taken any further action, as I understand it. We will be discussing that at the regional meeting.

We are going to be discussing a lot of things in this same vein at that meeting, in co-operation with the other provinces. I hope we will be developing an interprovincial interest as well as a strictly provincial interest. There is a lot of interest in this, and I hope there will be some decisions made in Ottawa.

The clerk who has been in Westminster for three months is back, as you mentioned. Today he is probably resting up; I have not seen him around.

Mr. Harris: He is probably getting his report ready.

Mr. Speaker: He is indeed. I was just going to say that he is preparing a report and it will be made available. While he was away, he did drop me notes from time to time to let me know what was going on, what his interests were and so on. I found them very interesting, but I think when the final, consolidated report is made, it will be even more interesting.

The activities of the CPA and comparisons with other countries reinforce what we have seen. There is no other political jurisdiction that I have visited anywhere that can compare with this country of ours from the standpoint of either CPA activities or the country itself. Its unbounded wealth is so conspicuous when you visit other jurisdictions and see what is going on.

The CPA activities will be kept up. Hopefully, they will be increased or accelerated to some extent, particularly within the country. That is something I feel rather strongly about, because I think the CPA has an important role to play in overcoming some of the barriers—artificial, perhaps, but barriers nevertheless—that lead to certain misunderstandings on an interprovincial basis.

I am not sure I understand the budget decrease you mentioned, because there is not a decrease but a substantial increase as a result of the last regional meeting held in Ottawa. All the provinces were reassessed on a new basis. Our assessment for the Canadian section is \$4,800. That was agreed to. It is part of a formula that was worked out at that meeting.

Our assessment from the Commonwealth Parliamentary Association itself for the year 1984 is 4,525 pounds. That is an assessment which was made by them and which has been paid by us. To the best of my knowledge, it is not a decrease.

Mr. Eakins was dealing with the idea of CPA, travelling around, having trips to other jurisdictions to increase the knowledge of individual members. Having had the benefit of being on that trip with him, I can tell you it was a real eye-opener as far as I was concerned. All the other members who were involved expressed similar views.

It is rather interesting that the group he is speaking about went to the Northwest Territories at the invitation of its government. As I recall, because of the problems of accommodation they broke us up into three groups, an eastern group, a central group and a western group. We all stayed in different parts of the Northwest Territories,

coming together in the final days in Inuvik where the last meetings were held.

It was extremely interesting to see what was going on, the way of life those people have, and how out of touch we are with their problems. They do not hesitate to point out that all the experts on northern affairs seem to come from southern Ontario, and perhaps from the great institution across the street in particular; I am not sure.

One of the things Canada is being criticized for on an international basis is the way those people survive. They do not make any apologies for it. They want to pass on to their children the techniques they have learned because they are not fully convinced, in spite of the new educational facilities that have been built across the north, that their people are going to survive.

One community we visited was rather interesting. The elders of the community made an agreement with the government of the Northwest Territories that their school would be closed for four months of the year, I believe. That was so the elders of the community could take their children out on the annual hunts and trapping to impart to them the skills needed for survival in that part of the world. I thought that was rather interesting.

Mr. Eakins: It is a great part of their heritage.

Mr. Speaker: Yes.

Without dwelling too much on that, I agree with what you say. As I said to Mr. Stokes, we will not only be supporting these activities but will be trying to increase them, compared to the past.

11:10 a.m.

I have just been given a note that the CPA levy may have decreased because the British pound has fallen significantly against the dollar. That may be true; I am not sure. However, I know we paid the assessment that was levied.

Mr. Stokes: I will find the item. I have it marked here.

Mr. Speaker: Okay. I support very strongly the proposition of the member for Victoria-Haliburton that many of us living in Ontario just have not had the opportunity to travel around to other parts of the province to get to know what the problems are, what the people do and what the country looks like.

I have heard not promises but suggestions from time to time—and the member for Lake Nipigon may want to pursue this—that the Minister of Northern Affairs (Mr. Bernier) would take us again on a northern trip; I say

"again" because some members have been on a northern trip. I have not, and I do not know what they do or what the value is, other than the fact that people who have talked to me about it have been strongly impressed and would like to go on another one.

Mr. Stokes: There was one in 1968 and one in 1972.

Mr. Speaker: Yes. I missed the one in 1972, for whatever reason, but I would support that very strongly. Rather than have a select group of members go, in the past it was available to all members, and that is something I would very strongly support.

The concerns about security were raised earlier, of course, and I spoke about them. Unless the member has any specific instance in mind; I am not aware of any ongoing or particular problems.

Mr. Eakins: I would only ask if you have any further comment on the newly installed members' security.

Mr. Speaker: Well, my secretary hit the button by mistake one day, and security was there within a matter of seconds. I have not tried it. I have not had any feedback because I think people have not had the opportunity to use it.

Mr. Eakins: That is good.

Mr. Speaker: And that is good, yes. From time to time people who are blacklisted, you might say, come into the building; they are not allowed entry into the building for various reasons, but we have had no objections from them or from anybody else on their behalf.

We have dealt with particular matters where specific members have raised problems; they have been dealt with, and certainly I have not had any further feedback. In fact, on checking with the individual members, I am told their problems do not exist any longer.

Mr. Eakins: You have the assurance that this is a sufficient system. I mention this because I think this is called a burglar alarm system and, if it is good enough for members here, I wonder why the Ministry of Government Services is requiring a much more expensive security system for the courts in some of the provincial buildings across the province in which large cables must be laid in order to provide security.

In our system, as you know, the wire is almost invisible, and if it is good enough for the system here—of course, this is not your responsibility—why would Government Services want to call for a much more extensive one for other facilities?

Mr. Speaker: The only answer I can give to that from my understanding and knowledge of the court system, which is very minimal, is that they have had specific problems, as the member knows; they are very security conscious—with good reason, I think—and are taking precautions to avoid anything such as has happened in the past happening again.

I do not want to give any guarantees, because security is an item that changes hourly. Any system you can think of putting in can be circumvented by someone who is intent on causing trouble or creating mayhem.

I think the best protection for all of us is to be vigilant. Certainly if you are aware of problems, let us know as quickly as you can—or let us know even if you have an intuition, if you will, because that is always based on something and it does not do any harm to run these matters down. It is done very quickly and is no embarrassment to anybody.

Mr. Eakins: When your assistant touched the button, did it work?

Mr. Speaker: Yes. As I say, the guard appeared at the door within seconds.

Mr. McKessock: Did he question you very long?

Mr. Speaker: No. As a matter of fact, I was not even there; I heard about it afterwards. The funny thing was that she was not aware she had pressed the button and she wondered where the guard came from and what he was doing.

The member for Essex North (Mr. Ruston) brought up again the reports from various commissions and how they get into the House without too much debate—they are accepted pretty well as written and tabled, and that is about the extent of it—and he again raised amendments to the act that Mr. Bailie apparently has proposed. I am not sure whether those have come in officially or not.

Mr. Ruston: It was the member for Victoria-Haliburton.

Mr. Speaker: The member for Victoria-Haliburton, I should say; I am sorry. Certainly his have come in, yes, and they have been referred to the House leader. Again, it is up to the House leader to schedule the business in conjunction with the other two House leaders, so it is really beyond my control at that point.

That winds up, I think, all those items that were raised by various members.

Mr. Chairman: Thank you. We have spent well over an hour on the office of the Speaker.

Are there any further questions on the office of the Speaker?

Mr. Piché: I have a couple of questions, Mr. Chairman, if I can have the floor.

Mr. Chairman: Just briefly.

Mr. Piché: The member for Lake Nipigon mentioned a while ago that if we had television in the House it would improve the debate. I would ask the member, or even Mr. Speaker, if it has improved the debate in Ottawa, as an example. Is there is a good experience there? If it has, we could have a problem here in the Ontario Legislature.

The feeling I get since I have been here, and it is certainly my own feeling, is that television is not wanted or warranted. I think this is a general feeling, not only because of costs but more because of common sense. I will not say the news media that are covering the House right now are doing a good job, but they are doing a job.

Mr. Samis: René, you are getting old.

Mr. Piché: I would think there are not very many members who would be involved in such a debate, if ever it came up, on whether we should have television in the House.

I am just throwing that in. I do not get that feeling, and I know that if it ever came up I would not be in favour of it, not only because of costs but for other reasons. I look at what is happening in Ottawa and I look at what is happening in our own Legislature.

Mr. Chairman: Thank you.

Mr. Piché: I am not finished yet, sir. Is the vice-chairman here?

Mr. Samis: You newspaper owners are not exactly unbiased.

Mr. Piché: Another problem I have is the television crew who are present to cover question period. Have you been thinking about or looking to some kind of protection for those who are under them? I look at those fellows up there and I see the way they handle those cameras sometimes. When they are rushing out, if there is a minister they want to interview, I have seen them grab their cameras and take off. They usually do that before the back-benchers start to ask questions.

They take off, and one of these days a camera or some piece of equipment is going to go right over the railing; it is going to hit someone down on the ground floor and it is going to create a very bad situation. I see, pretty nearly on a daily basis, the way they grab their cameras and the way they handle them. If someone just lost his grip on one of these pieces of equipment, it would go over;

and there are a lot of people under there, such as pages and others.

Have you thought of some kind of protection, like a screen, something that would look good, so that if a camera fell, at least it would fall just on that small screen, something along that line? I think this should be a priority, because it is going to happen. I think we are aware of it, because I sense around the room here that everyone knows there is a problem but that possibly nothing is being done.

I would suggest to you very strongly that something should be done to protect those who are in the House from this equipment, which really could fall while being handled.

Mr. J. M. Johnson: Can I have a supplementary?

Mr. Piché: Now I would like to let you have your supplementary, sir.

11:20 a.m.

Mr. J. M. Johnson: I was going to suggest, Mr. Speaker, since you are from Peterborough, outboard motors always have a short chain in case a motor flips off into the water, and you could have the same thing. The camera could be fastened to the railing with a short piece of—

Interjection: Fastened to the cameramen.

Mr. Piché: I have one question regarding the news media. I am not sure if it belongs here, but I would like to ask it while the Speaker and some of his staff are here. It was always my understanding that they paid their own way up there until a week or two ago when I was up where their facilities are. I was told the Legislature, or the taxpayers, bear some of the costs.

Mr. Gillies: You will never get invited to another gallery party. Think before you speak.

Mr. Piché: My first question is under what estimates or jurisdiction does this fall?

Mr. Chairman: Members' services.

Mr. Piché: So members' services picks up some of the costs for the news media up there. Lord Thomson owns the Globe and Mail, and every second day the Toronto Star says how much money it makes. The Toronto Sun is another one; in fact, every newspaper. As Lord Thomson once said, if you are in the news media, you are printing your own money.

I cannot understand why we in the Legislature—and I would like to have more information on this—should pick up any of these costs, depending on what they are. Obviously the question does not belong here, but I will ask it at the—

Mr. Stokes: It belongs right here.

Mr. Piché: It does belong right here?

Mr. Stokes: Right here.

Mr. Piché: Okay, what is involved? Could I have this information? I would like to have some breakdown of what it is costing the Legislature, or the people of Ontario, for the news media.

Keep in mind I am not suggesting in any way that in a democracy we should not have them there. We should have them, and maybe there should be more freedom up there, so anyone who is part of the news media can come in. But they should also pay their own way.

I would like to know, since we are criticized once in a while because we have gone up more than a few percentage points, especially for accommodation and other things, what their increase has been in the last three or four years. Who is going to provide me with this information?

Mr. Speaker: Mr. Chairman, dealing with the observations of the member for Cochrane North, particularly on TV coverage and whether it improves the quality of debate, I think the concern was somewhat different in all the jurisdictions we visited. It seemed to be a major concern of those people who were entrusted with the authority to make a decision that it would increase the playing to the audience, playing to the cameras, grandstanding and that sort of thing.

That has not been borne out. In fact, very little difference in the behaviour of the individual members is found, whether or not they are covered by TV, because with the TV installations that are made now, the members are not aware the camera is there and, specifically, they are not aware that it is focused on any particular person.

As to the improving of the quality of debate, I honestly do not know, because I do not know what the quality was before. Certainly it has not deteriorated, let me put it that way.

As to TV security, you are concerned about the cameras tumbling over. We had an incident a year or a year and a half ago where one of the cameras did, in fact, fall over, and the wires held it. As a result of that, all the cameras are now equipped with a safety chain. There is a bar below sight level to which all the cameras are hooked up. If one did inadvertently go over, it would only go the length of the chain, and we hope the chain will hold.

Mr. McKessock: They unfasten the chain last, do they?

Mr. Speaker: I am not sure.

Mr. McKessock: I hope so.

Mr. Speaker: It is hard to observe them, because they are coming and going at different times. But I would think, like everything else, they get a little bit complacent about it and maybe in some cases—I say “maybe” because I do not know—the chains are taken off earlier. I am not aware of that.

With regard to your remarks on the media and on the press gallery in particular, traditionally, facilities have always been made available to the press. To some extent the press has been catered to by the assembly, mainly because people feel very strongly that the media—electronic and print—are the eyes and ears of the people at large. The assembly relies on the news media for the dissemination of information. There is no intent to inhibit the comings and goings and coverage in any way, shape or form; in fact, everything is done to encourage co-operation.

I meet with representatives of the press gallery on an ongoing basis to discuss whatever problems they may have or we may have. I can tell you we have very amicable and open relations.

As to the cost, the assembly office has prepared a paper on the cost of maintaining the various facilities and services up there. I am not sure whether it is going to be available, but Mr. Mitchinson has gone out to see if he can put his hands on it. If he can, it will be made available to you and others this morning.

Mr. Piché: Would you think that in a democracy, it is very important that we have an independent press?

Mr. Speaker: Right.

Mr. Piché: Very important. By press, I mean the news media. This independence would come when they pay their own way, especially when covering—

Mr. Stokes: Do you mean we should charge rent for the offices?

Mr. Piché: I am not saying that. I am saying we should look into it. It seems when it comes to the news media, we should say, “Let us not go too far.”

Mr. Speaker: No, let us be fair.

Mr. Piché: I am saying we should start to look into that and do what is best not only for the media and for the coverage, but for the people of this province.

Mr. Speaker: All right.

Mr. Piché: If you are going to be independent, you pay your own way. It is like anything else.

Mr. Speaker: Mr. Chairman, with respect, there are different classes of representation or papers or publications represented up there. While it may be within the scope of some of them to pay their own way as you say, it may not be fair to others. I am not sure.

In fairness, and I do not think this is any great secret, some have voluntarily offered to contribute or to pay their own way, even to the point of sending cheques. Those cheques have been returned because we feel very strongly that in order to have a completely independent press, for the moment anyway, there should not be any restrictions on the ability to cover the goings-on in the assembly.

Mr. Piché: I have to stress that the media would not be restricted in any way, shape or form. They would have the same facilities; they would be staying in the press gallery and doing the job they are doing right now.

I always thought they were paying their own way up there. Believe me, most if not all of those companies can afford to pay whatever it costs. I am talking about long distance charges and other matters I was made aware of when I was up there two or three weeks ago. Someone said I will not be reinvited, so what the hell?

Mr. Eakins: I wonder if someone could enlarge on that. What does he mean by paying their own way? What does he mean by that?

Mr. Speaker: I do not know.

Mr. McKessock: You say they have forwarded money and you have returned the cheques. If they are willing to pay their own way, why should we interfere with that?

Mr. Speaker: I guess that is because the policy at the moment is to not charge for anything but to supply these services as part of the cost of the assembly. I am not sure of what Mr. Piché says. He is in a much better position than I to judge these matters; rather than restrict them in any way by putting a levy on them, which some may find easier than others to pay, I am not sure.

Mr. Chairman: Mr. Johnson has a supplementary. Maybe you could clarify it.

11:30 a.m.

Mr. Speaker: Yes, I realize that.

Mr. J. M. Johnson: Mr. Speaker, on this point. As a member of the Board of Internal Economy, I was concerned with the telephone bill we received from the Ministry of Government Services, which at one time used to pick up the press gallery's telephone bill. Then it was turned over to the board. We now assume that. I cannot recall the cost, but it seems to me it is in

the neighbourhood of \$30,000. Is that close? Do you have the exact figure?

Mr. Miggiani: It is about \$45,000.

Mr. Speaker: Yes, \$45,000.

Mr. J. M. Johnson: This is possibly one of the points you were concerned about.

Mr. Piché: Yes.

Mr. J. M. Johnson: Quite frankly, I have a great deal of difficulty understanding why we are paying that.

Mr. Eakins: Does the committee have the facts in front of it so we can discuss it? This is all new to me.

Mr. Piché: This was my original question. Let us get the facts so we can discuss it.

Mr. Speaker: There is one thing, Mr. Chairman, I think all members should be aware of. Some names of some large organizations have been mentioned. Keep in mind there are people in the press gallery who are operating as independents, not working for anybody but freelancing.

Mr. Samis: How many?

Mr. Speaker: I do not know. I cannot tell you that. There are some.

Mr. Piché: No problem. They still can go and sit there and cover the House.

Mr. Gillies: On this last point we have been discussing, we may want to look at whether the media outlets should be covering their own phone bills.

I must say I completely agree with the Speaker in his returning of any cheques that are offered at this time. It would be quite inappropriate for some media outlets to be offering contributions and those being accepted, if this is not a general rule. If we want independent media, we certainly cannot have any media outlets thinking they can develop a special relationship with the office of the Speaker that others do not have. I certainly agree with your position on that, sir.

Mr. Piché: There is no question about that.

Mr. Stokes: Just the reverse is true.

Mr. Gillies: There is another point I want to talk about. I never disagree with my colleague the member for Cochrane North, but on the point of television coverage of the House I do disagree. I want to go on record again, because I have been saying on and off since I was elected here, that—

Mr. Piché: This is the first break in government ranks. It is just a crack, not a break.

Mr. Gillies:—I definitely think we should be moving quickly to bring televised coverage of

our proceedings here, especially question period. Just in my observation of the debates in the House of Commons, watching the coverage of question period, I believe the use of question period in the House of Commons is better than our use of question period in the Legislature. Generally speaking, as far as I can see, the questions are shorter and more concise and the answers are shorter and more concise.

Mr. Samis: Anything would be better than what we have now.

Mr. Gillies: I think you are right. I am not saying the questions are better or the answers are better, but I am saying they are more concise and there is an opportunity for more members to get in their questions during question period. I kept an eye on the clock yesterday. I think we had 12 minutes left after we finished leaders' questions.

Mr. Samis: They took 48 minutes and 15 seconds.

Mr. Gillies: That is right. When the leaders' questions were finished, there were 12 minutes left. If we ever wonder when we go back to our constituencies why people across the province are under the impression the meaningful work of the Legislature is done by the ministers, the Premier (Mr. Davis), the leaders of the parties and a couple of others, the answer is very obvious when that proportion of the time is being used by so few of the members.

I know I am taking a different approach to this, but as my friend the member for Cochrane North said, the people who suffer from this somewhat distorted perspective are the back-benchers, the ordinary members of all three parties. There would be expense involved in bringing television into the House. I do not think there is any question about that. It is a question of whether that expenditure is warranted, and I think it is.

We have a rather unseemly scramble up in the electronic gallery, as was pointed out. The various TV stations get the story they want and then leave during answers and during questions, which I do not think is appropriate. They tear down their equipment and run out. On some occasions we have the rather ridiculous spectacle, if they think something is going on in the House in the last 15 minutes they were not expecting, where they all come stumbling back in.

Renovations would be necessary to put in some sort of permanent camera arrangements, as they have in Ottawa. I think we should be moving towards this and I think it would be desirable. I do believe it would improve the quality of debate

in our Legislature. I think it would improve the ability—

Mr. Piché: And there would still be only 12 minutes left for some of the back-benchers to ask questions.

Mr. Gillies: No, I do not think so. I think it would improve the accessibility of all members to the floor of the House, during question period particularly. As well, on special occasions such as the tabling of the budget, a throne speech or whatever, it would eliminate the necessity of the rather extraordinary steps that have to be taken to bring in the different camera arrangements, because they would already be there and could be used for any occasion. Those are my thoughts on that subject.

Mr. Eakins: It could not be worse; that is for sure.

Mr. Gillies: All I am trying to say is that there is a difference of opinion probably among all the caucuses on some of these points—

Mr. Samis: Only a small minority.

Mr. Gillies: —but I for one believe we should have television in the House.

Mr. Pollock: Mr. Chairman, along those same lines, I listened to the comments of both my colleagues here and also those of the member for Lake Nipigon on television coverage in the House. I would just like to point out that my riding is a large rural riding and it is covered by different television stations. I question whether all areas of that riding would get good coverage.

The member for Lake Nipigon mentioned also that we should have TVOntario actually do the coverage in the House. We have had just a terrible time getting TVOntario transmitters down there. Now that we finally have a commitment, it is going to be a year before they are actually installed. Even when they are installed, they are only going to cover the area along Lake Ontario, or roughly 40 miles back from Lake Ontario in the Bancroft area, which is a large area of my riding, and maybe they would also spill over into the riding of the member for Victoria-Haliburton.

Mr. Stokes: You need a minister of eastern affairs.

Mr. Pollock: It is not going to get covered.

Mr. Samis: That is still not an argument against having it; that is a problem, not an argument.

Mr. Pollock: I am all for having it. Let us have another transmitter in the Bancroft area as far as TVOntario is concerned. However, at the present

time I would rather see another newsletter; rather than just have two a year, have three a year. I would think that would inform my constituents better than having television in the Legislature here.

Mr. Gillies: Yes, but with respect, if we have more newsletters, our constituents will get what we want them to see. I do not put in my newsletter that I ever goofed up on something, and neither do you. You put in all the wonderful things you do, the ribbons you cut and the terrific speeches you give in the House.

Mr. Harris: Do you have trouble filling up yours?

Mr. Gillies: Absolutely.

Mr. Pollock: Mr. Chairman, why did you let him cut in on me?

Mr. Eakins: Mr. Chairman, I think the point the member for Hastings-Peterborough makes is a good one. The people in rural Ontario should have as full an opportunity as those in the more urban areas to see whatever the proceedings might be in the House. It is fine to think of the Metro Toronto area and those areas served by TVOntario. But, as the member points out, there are areas in his riding, in mine and in many others in eastern Ontario that do not have that service unless one is a cable TV subscriber.

Mr. Piché: That should be a priority first.

Mr. Eakins: If we are going to have the service here, make sure the people of Ontario, including the rural people, can see it.

Mr. Speaker: Regarding the remarks by the member for Brantford (Mr. Gillies), the member for Hastings-Peterborough and the member for Victoria-Haliburton, the member for Victoria-Haliburton has focused on one of the distribution problems, which the television people are very quick to point out. It is a very real problem in our part of the province. TVOntario is not generally available; it is available only to those who are on cable, and it is a problem for those communities that are not serviced by cable.

Mr. Stokes: It was promised in the throne speech.

Mr. Speaker: Whatever. With respect to television coverage, I am in the hands of the members. It is not a decision for the Speaker to make; it is something that will be dealt with at the Board of Internal Economy. If members feel strongly about it, I would suggest they—

Mr. Piché: We are not even suggesting that you go that far.

11:40 a.m.

Mr. Speaker: —have their representatives at the Board of Internal Economy raise the matter or bring it to me by way of a letter and I will be happy to raise it.

Mr. Piché: We are suggesting the Speaker has a lot of influence and that is why we are bringing it to his attention.

Mr. Speaker: To speak to Mr. Piché's question about the cost of the press gallery, in round figures it is costing the assembly something in the neighbourhood of \$66,000 to operate the facilities in the press gallery. Long distance calls are not paid for; they look after their own long distance calls. There is a projection of \$73 for long distance calls.

Mr. McKessock: Only \$73?

Mr. Speaker: Yes. Generally speaking, they look after their own long distance calls.

Mr. McKessock: So they pay the \$45,000 we were speaking of earlier?

Mr. Speaker: No. We pay for the rental of the telephone equipment, the provision of the service which was formerly paid by the Ministry of Government Services and which has been taken over by the Office of the Assembly.

Mr. McKessock: It does not cost \$45,000 a year for the rental of that equipment?

Mr. Speaker: It sure does—\$40,000, not \$45,000. The telephone system provided to the members and people throughout government is horrendously expensive.

Mr. Stokes: What about the Xerox and the steward?

Mr. Speaker: All right, we are coming to that. Xerox equipment rental is \$2,500. We do not have a figure for supplies and equipment, but based upon past performance, it will probably be around \$500. The salary of the steward is \$20,000. With the employee benefits that are paid, \$24,100 would be the total cost of the steward.

Mr. Gillies: Is the bar up there self-supporting? I assume it is.

Mr. Speaker: I have no idea, but I would rather doubt it. Maybe some other people may have better information.

Mr. Piché: Obviously, we will be asking further questions, maybe in a little more detail, but I have one question right now as far as long distance telephone calls are concerned. They pay for their own, but do they also have access to our tie-line?

Mr. Speaker: Yes. That is in the \$40,000 for telephone equipment rental and services.

Mr. McKessock: Does that \$40,000 cover all members as well as the press?

Mr. Speaker: No.

Mr. McKessock: When you say that is part of the tie-line system, is that their share of the tie-line system you are talking about?

Mr. Speaker: That is their share of the telephone equipment available to them. That is something that has been done traditionally and historically. We have inherited the situation from the Ministry of Government Services.

Mr. Piché: Yes, but possibly at that time we had one telephone and one line; that goes back years.

Mr. Speaker: I do not know.

Mr. Chairman: Are there any further questions for Mr. Speaker?

Mr. Harris: I have two brief ones. I do not want to get into the cost of the press gallery and who should pay and what not, but assuming we pay these expenses and leaving that aside, how is access to the press gallery determined? How does a reporter of the new French-language weekly in North Bay get access to the press gallery? Can you describe what procedures he goes through?

Mr. Speaker: He makes application to the press gallery. The application is voted on and is either accepted or rejected.

Mr. Harris: Who accepts or rejects? Who says who can go into our press gallery that the taxpayers pay for?

Mr. Speaker: It has a committee or a council.

Mr. Harris: The press gallery itself does?

Mr. Speaker: Yes, it is self-regulating.

Mr. Harris: Has anybody ever been refused access to the press gallery?

Mr. Speaker: Not to my knowledge. I am not aware of it.

Clerk of the House: There were a couple of cases some years ago.

Mr. Harris: What are the criteria then? Do they have to belong to a reporters' union? Does the paper have to be a paper in good standing with some association that is benevolent towards the press gallery? What are the criteria?

Mr. Speaker: Not that I am aware of, because there are independent people up there.

Mr. Fleming: There are two. There is the full-time regular member of the gallery, which would be somebody who would be assigned here. In the case of a major paper, they would

contact the press gallery executive and state that they would like to have a person accredited. I imagine it would then be incumbent on the gallery, provided it is a paper in good standing, to recognize that person for a full-time position.

Then there are associate members of the gallery. Associate members are people who might come here occasionally to report on the House. This might be a television station from the Windsor area, or something of that sort, or a smaller newspaper.

Then there would be people who would want to come to do a specific story, in which case they would simply come with their credentials to the gallery, check in with the executive and be admitted to the press gallery for the afternoon or whatever.

Mr. Harris: How about access? To the best of your knowledge, nobody has ever been turned down, or at least if they have been turned down, there has been enough reason that they have not appealed it. Do they have an appeal procedure? Let us say somebody tried to get into the press gallery and the press gallery itself, or the association, said no. What would you do if you were a reporter and you disagreed with that decision, or if you were a newspaper?

Mr. Stokes: Go to the Speaker.

Mr. Speaker: I guess I would write about it in the paper.

Mr. Harris: But that has not occurred?

Mr. Fleming: No. It includes the University of Toronto Varsity and the Ryersonian publication. We certainly have never heard of any instances where a person has been turned down.

Mr. Harris: Can I take that one step further? As far as the facilities are concerned, once they are accepted in the press gallery that presumably gives them a spot up there in the chamber.

Mr. Stokes: No, there is just no more space available.

Mr. Speaker: Space is very critical. They may be able to sit in the gallery because there are people in and out of there from time to time.

Mr. Harris: What about phones? Would they have access to the phones in the offices that the taxpayers of Ontario pay for?

Mr. Speaker: I would think they could use a common phone in the anteroom the same way as members use those phones in the anteroom.

Mr. Harris: But there have not been problems with access?

Mr. Speaker: Not that I am aware of, no.

Mr. Harris: I am not sure this is the right forum, Mr. Chairman, and you can rule me out of order, but there has been some talk about question period and how it is handled. I am not sure this is the appropriate time but I have not been cut off yet so I will carry on. I would certainly like to go on record.

I think the member for Brantford mentioned the procedures in Ottawa and how much more relevant question period there appears to be. The questions are shorter and more concise, and the Speaker seems to have the power, without being yelled and screamed at, to cut questions short and to rule them out of order.

The last time I was in Ottawa the Speaker ruled out of order questions that dealt with individuals or companies back in one's own riding. He said no minister is expected to be able to keep track of that; it does not have anything to do with the minister's policy. Those questions were thrown out; as, legitimately, I think they should be. I think that is a constituent-direct-to-a-minister type of thing.

I just wonder whether what the procedure is for the rules governing question period and whether we can take a look at what they do in Ottawa. It seems to be working better and it certainly seems to be of more benefit, particularly to the back-benchers. How do we go about getting those procedures reviewed?

Mr. Chairman: The standing committee of procedural affairs has been working on that and it is up to that committee to change the rules of the House to make it happen.

Mr. Harris: I suspected this probably was not the right forum but I wanted to get that on the record.

Mr. Samis: An entirely valid point.

Mr. Chairman: Okay, are there any further questions of the Speaker?

11:50 a.m.

Mr. Gillies: I know we have very few minutes remaining, but just following on the comment by the member for Nipissing (Mr. Harris), Mr. Speaker, from your experience in observing other legislatures and other parliaments, could you comment specifically on the question period and the use thereof? Are we in step, are we out of step, are there some a lot worse or a lot better?

Mr. Speaker: It depends, obviously, on the jurisdiction. We are not that much different. Without making any excuses, I guess one of the problems is some of the rules that are in place. I would dearly love to see some changes. As the

chairman said, I believe the standing committee on procedural affairs is taking a look at that.

Generally speaking, in different jurisdictions the conduct in the House reflects to a large extent the political climate, if you will, of the jurisdiction. There is not a great deal of difference, even at Westminster, which was a shocker for me. They have a period twice a week, on Tuesdays and Thursdays, when the Prime Minister is questioned. I have never seen anything like that anywhere. It is a real zoo. I do not know how else to describe it.

Mr. Piché: Democracy at its best.

Mr. Speaker: That is what they claim.

Mr. Piché: It is better than shooting each other.

Mr. Speaker: They are apparently prepared to accept it. It is a real free-for-all. Without mentioning any specific names, some of the western jurisdictions follow a rigid interpretation of rules. Some of the jurisdictions do not have any rules. They leave it up to the jurisdiction and interpretation of the Speaker.

Mr. Piché: British Columbia is one.

Mr. Speaker: It depends on who asks the question as to whether it is going to be ruled in or out of order. I do not think that is a situation we would want to develop here.

Generally speaking, we are not any better or any worse than any other jurisdiction. There may be some valid reason for giving serious consideration to television coverage, because that does seem to impose some kind of responsibility on the members to be more relevant.

Mr. Samis: Mr. Chairman, I have a supplementary to the question of the member for Brantford. I think there is a widespread feeling among back-benchers that question period is becoming a complete farce dominated by two people who take up an average of 35 to 40 minutes of the question period.

In terms of the member for Brantford's question, I wonder if you could share with us, Mr. Speaker, in the specific context of participation in the different legislatures and parliaments you have seen, how we compare as to the number of questions asked by back-benchers as opposed to leaders.

Mr. Speaker: At Westminster, it is completely different because the government members take a very active role in questioning the government during question period.

Mr. Samis: But those are back-benchers, are they not?

Mr. Speaker: I suggest that in the times I have been there, perhaps the government members have been more active than the opposition members, or certainly just as active. Generally speaking, in jurisdictions where I have been, the leaders tend not to ask questions.

Mr. Samis: Are you talking about Canada?

Mr. Speaker: Yes.

Mr. Samis: Are these provincial legislatures?

Mr. Speaker: Yes. In a lot of jurisdictions, and I do not say this unkindly, the leaders will sit by and advise and support. In some jurisdictions, even people on the opposition front bench do not ask questions. They may ask a supplementary question, but the main question will be asked by a back-bencher.

That is obviously an arrangement. There is nothing in the rules to cover it. It is an arrangement by the individual parties in those jurisdictions.

Mr. Samis: I recognize that part of our problem is based on rules, part of it on ego and part of it on obsession with the god-damned media. Can I ask you—

Interjection.

Mr. Samis: It is true; you know that. Mike, you have thrown me off my question.

Interjections.

Mr. Samis: It is a supplementary from the back-bencher.

Interjection: There are 12 minutes left.

Mr. Harris: Why not let me ask a supplementary? I guess this is for the procedural affairs committee, but maybe we should go back to our parties about this. Thursday is now private members' day in the Legislature. Maybe we should have one question period that is all for back-benchers.

Mr. Piché: That is a good suggestion.

Mr. Harris: Maybe it should start with the members of the government party, to get them more active. You guys say there are 12 minutes left when the back-benchers start. You forget how much is left when it comes around to a member of the government party because there are still two more questions to come. Sometimes we are shut out completely. As a result, you do not get prepared for it. You say, "Maybe we will get one on." If we get one question from our back-benchers, we have had a great day.

Mr. Eakins: If there is to be any extension of the televising of question period, I think it should be available to all the people of Ontario. I do not think it is fair for one area to be served, without

all the people of Ontario having the same opportunity. I do not know how this works in other jurisdictions, whether it is available or not. However, I think it should be.

I associate myself with what the Speaker said about Westminster. My observation is that the members of the government party take a very active part, more so than the leaders, during question period. That was a surprise to me.

Mr. Samis: If you leave the rules aside, would it be unfair to say that, from the ones you have seen in Canada, ours has the lowest and poorest rate of back-bench participation in question period?

Interjection: That is putting him on the spot.

Mr. Speaker: No, it is not putting me on the spot. The other jurisdictions, with the exception of Ottawa, tend to favour back-benchers' participation. As I said, I think that is an agreement or a decision made by the parties.

In an attempt to open up question period here, I think we have tried to be too specific in our rules. We have laid down mandatory procedures. Keep in mind also that we are the only jurisdiction in Canada of which I am aware with a three-party system. We get more supplementaries than normally would be asked in any other jurisdiction.

That aside, I think that to have a level of fairness and to treat everybody equally, we have tried in our fairness to be a bit on the rigid side as to who is going to ask the questions and when they are going to be asked. From my observation of other places, I think that should be a decision of the individual parties.

I can see it opening up so back-benchers or people other than the leaders are asking questions or taking part in supplementaries. It could be opened up much more than it is now.

Mr. McKessock: The behaviour and the ruckus in the House takes up quite a bit of time. Some people say it is very entertaining, but more people say it is a crazy place. They wonder what is accomplished. I try to defend it by saying: "Oh well, it is not like that when you get into committee. Things go on in more of a business-like manner there." As far as question period is concerned, there is a lot of time that just elapses—

Mr. Speaker: There are a lot of private conversations and a lot of private comments. However, based on what I have seen in other places, for the most part it is done in good spirit. It is not acrimonious or bitter. In some jurisdictions, it is much stronger.

Mr. McKessock: What is much stronger?

Mr. Speaker: Some of the comments that float across, the private conversations. Shouting matches actually erupt in some of them.

Mr. McKessock: Have you been into the Ontario House lately?

Mr. Speaker: Yes. However, it is not any different anywhere else. In fact, British Columbia is one that is just unbelievable. It really is. They have a completely polarized situation there with nothing in between.

12 noon

Mr. J. M. Johnson: Mr. Chairman, I would like to suggest to the members that the standing committee on procedural affairs has tabled a report with recommendations on changing the rules of the House. I think it has been tabled now or it will be shortly.

Clerk of the Committee: Not yet; shortly.

Mr. J. M. Johnson: Some day it will be tabled. When it is tabled, it will be debated. On some of the questions the members posed to the Speaker, it would be very appropriate to speak at that time and express your individual concerns about what is going on in the House and how you would like it changed.

Members of the committee from the three parties worked extremely well together to come up with what we considered an all-party report. We had the advice of the people from the federal House who worked together as well. There they did not consult their caucuses until the report was completed. We tried to work with the caucuses and with our House leaders. Sometimes it was extremely difficult to do so.

We finally came up with what I think is a fairly reasonable report, and I do hope you will give it some attention. That is the time to express your support of it or your concerns, if indeed it appears it might go through.

Mr. Speaker: If I may, one thing to bear in mind is that if any changes are made, you want to be very careful not to inhibit the free expression of opinion and speech. We were mentioning what goes on here. As the member for Victoria-Haliburton will tell you, in the House of Commons at Westminster there is much advice freely given on both sides of the House.

Mr. Gillies: I am really attracted to the member for Nipissing's idea of, say, one question period a week with no provision for leaders' questions—just those of back-benchers.

Mr. Ruston: On a Wednesday.

Mr. Gillies: Actually, we were just talking about it and thinking that as Thursday is private members' afternoon for debate, why not make Thursday the private members' question period too?

Mr. J. M. Johnson: You are whistling in the dark.

Mr. Gillies: We were just thinking of taking it to our caucus next week. I wondered if there was any interest in the other caucuses to pursue it.

Mr. Piché: I would be pleased to come and address all of your caucuses to discuss this. You need a good guest speaker there once in a while.

Interjections.

Mr. Chairman: Order. Are there any further questions with regard to the Speaker, on vote 1101?

Mr. Stokes: Yes. I notice on transportation and communications, the amount is up 14 per cent. Why?

Mr. Eakins: Ad valorem on the gas.

Mr. Stokes: It is up \$8,400, which is an increase of 14 per cent for that item. I am sure there is a legitimate reason for it.

Mr. Speaker: There has been a transfer of responsibility, and the new office of interparliamentary relations is now in the office of the Speaker.

Mr. Stokes: As opposed to a sessional requirement?

Mr. Speaker: Yes, that is right.

Mr. Stokes: Okay. In the staff of the office of the Speaker there is one unclassified, a special assistant. Who is that person and what are the duties?

Mr. Speaker: I do not think there is such a person, although there is provision for it. It is a position that has never been filled.

Mr. Stokes: It is there just in case. I see.

Mr. Speaker: It is there, just to answer the specific question, at my request. I did feel on going into the office that I would have need for such a person, but the need has not arisen.

Mr. Stokes: Okay. There is another item here, showing a decreased grant to the Commonwealth Parliamentary Association headquarters secretariat, of \$3,500, the Canadian regional council, down by \$2,200, and a decrease of \$1,000 to the l'Association internationale des parlementaires de langue française.

You had indicated, Mr. Speaker, that there was no decrease in our contribution to the headquarters secretariat, while the working

papers here show a decrease of \$3,500 and for the Canadian regional council, a decrease of \$2,200.

Mr. Speaker: Maybe Mr. Miggiani has some information on that.

Mr. Miggiani: Mr. Chairman, there really is no decrease. What happens is that sometimes we do not have the actual figures, and we have to guesstimate. That simply means last year we overestimated these requirements; this year we were a little bit more realistic because we had the proper documentation. That is one of the reasons.

The other reason is that in the case of the headquarters in England, the value of the dollar has tended to decrease the dollar requirements to cover the fee. Those are two reasons why this has happened.

Mr. Stokes: So in actual, real, constant dollars there is no decrease.

Mr. Miggiani: There is no decrease. We are paying the fees levied and approved generally by the clerk or the Speaker; there is no decrease at all.

Mr. Speaker: Just on that subject, there was a complete reassessment of the Canadian region last year. Every jurisdiction, every province had a reassessment, accepted it and paid it—at least as far as I know. We have certainly paid ours, and I have not heard any complaints.

Mr. Stokes: There has not been any request from the CPA secretariat for another donation to the capital working fund. We made a one-time contribution. Have you any way of knowing how that fund stands, how much has been used to date since the working capital fund has been set up and in what manner and in what way those funds were used?

Mr. Speaker: I cannot give you that information, but I will have that information. That will be one of the things we will be discussing in Ottawa.

Mr. Stokes: We made a fairly healthy contribution to it; we were one of the first who responded to the request by the United Kingdom branch. The first amount of money that was drawn from that, as Mr. Lewis can attest to, was when we hosted a group from Ghana when they

were setting up constitutional democracy—until Jerry Rawlings took over.

Nevertheless, we really tried, and I think we should be doing more of that for the very reasons that you and I and everybody else are aware of.

Mr. Chairman: We have just about run out of time. Have you any more questions?

Mr. Stokes: No, that is fine.

Mr. Chairman: Can we vote, then, on vote 1101, item 1, the office of the Speaker?
Item 1 agreed to.

Clerk of the Committee: What are we going to do about the boundaries commission?

Mr. Chairman: The boundaries commission? I think we indicated at the start that there would be nobody here qualified to ask questions next week. Do you want to leave an hour some time later on in these estimates?

Mr. McKessock: Are they sitting every day of the week?

Mr. Speaker: Every Wednesday.

Mr. McKessock: It is Tuesday next week that we are sitting.

Mr. Speaker: You are sitting, yes. But Wednesdays are blocked out, apparently. They are coming into our riding on Thursday, but they are also sitting on the previous Wednesday. Apparently they have Tuesday, Wednesday and Thursday of that week booked up.

Mr. Chairman: Would you like to leave it until June some time?

Mr. Stokes: We will only have two hours left next Wednesday, and I think we have a sufficient number of questions on the remaining items that unless there is some compelling reason members think we should have them before us, I do not think it is necessary.

Mr. Speaker: It is pretty well statutory anyway.

Mr. Stokes: That is the Ontario Electoral Boundaries Commission we are talking about?

Mr. Speaker: Yes.

Mr. Chairman: Okay. We will start off with the office of the clerk next week.

The committee adjourned at 12:09 p.m.

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Legislative Assembly of Ontario

Standing Committee on General Government

Estimates, Office of the Assembly

Fourth Session, 32nd Parliament

Wednesday, May 2, 1984

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC



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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, May 2, 1984

The committee met at 10:09 a.m. in committee room 1.

ESTIMATES, OFFICE OF THE ASSEMBLY (concluded)

Mr. Chairman: We have the agenda, if agreeable, for this morning. Representatives of the Ontario Electoral Boundaries Commission are here; they were in Barrie yesterday and would like to appear. Second, we have the office of the clerk. Three, we have the office of the chief election officer. Four, we have the Commission on Election Contributions and Expenses. That will use up the two hours that remain, if it would be agreeable to have an agenda such as that. Would the committee agree to that?

Agreed.

On vote 1101, Office of the Assembly program:

Mr. Chairman: First is the Ontario Electoral Boundaries Commission. Would you like to come to the front and give us your name for purposes of the record?

Mr. Stokes: Mr. Chairman, before this gentleman gets started, you never mentioned Hansard or the Legislative Library.

Mr. Chairman: That is all part of the assembly program. That can be taken in and included. I am sure you will have some remarks on it.

Mr. Stewart: Mr. Chairman, my name is Alan Stewart. I am secretary to the Ontario Electoral Boundaries Commission. The commission itself is up in Barrie today on the second day of the hearings, as Mr. McKessock would know having been there yesterday.

In our program for the upcoming year, the Barrie sitting is the sixth in our 12 public sittings that will continue until the end of May. Subsequent to that, the commission will consider changes to its original proposals and incorporate them in a report to the Legislature which it hopes to have ready, at the latest, in time for the report to be on the desks of the members in the fall when the Legislature resumes. The commission hopes to have the report itself ready, if possible, some time this summer. Once that is accomplished, it will be turned over to the Legislature. From then

on its disposition will be in the hands of the Legislature.

The estimates for the upcoming fiscal year are before you. I really have no statement to make about them, but I would be happy to answer any questions from the committee.

Mr. McKessock: Mr. Chairman, yesterday I wondered what weight the commission might put on areas other than straight population. The riding of Grey as it currently stands is a large one, 90 miles by 60 miles.

Mr. Stokes: Oh.

Mr. McKessock: To the member for Lake Nipigon (Mr. Stokes) that does not sound large, but when one compares it to one

Mr. Stokes: Oh.

Mr. McKessock: To the member for Lake Nipigon (Mr. Stokes) that does not sound large, but when one compares it to one in the city, which may be a few blocks by a few blocks, it is large.

I was comparing it yesterday to one in the city where a member of the House might represent a population that might all be city residents. There might not be anyone else in the area except residents. In a rural riding the size of mine, which is mainly agricultural—tourism plays a big part in my area as well—a voice in a rural area such as that is not just for population; it is also a voice for agriculture and a voice for tourism. I was wondering if they should not put more weight on that.

A voice from the country for agriculture and tourism is a voice for all the people of Ontario, not just for the people in that area. Agriculture is very important to everybody in Ontario. If it is not maintained, it is going to be to the detriment of all the people of Ontario for various reasons. We all like to eat. Besides that, one out of every five jobs in Ontario is related to the agricultural industry. It is important for a lot of reasons. Sometimes we overemphasize population.

Mr. Stewart: I note that one of the factors in the commission's terms of reference that it is required to consider is the varying conditions and requirements regarding representation as between urban and rural electoral districts. If you took all the rural districts in the province and all the urban ones and looked at them, you would see

the urban ones do have a higher population average. The commission has certainly attempted to take that into account.

As to whether it will do so more than at present, I remember your argument yesterday, as I understood it, that in some of the rural areas interests that are important to all the province are being represented in a way that is not the same in urban areas. It is early for me to prejudge what the commission is going to do eventually. The commission is going to consider that. I know careful consideration will be given before the report is made when considering changes to the rural ridings.

Mr. McKessock: What is concerning me is that we are going to lose about three rural ridings. The representation for that voice, that population, may be picked up by another riding, but three rural ridings may disappear. That means agriculture and tourism will have less of a voice than they had before.

Mr. Stewart: It is a difficult problem. While there seems to be a general consensus that rural ridings should have less population, there is a question of how many people we are going to try to pack into urban districts and how severely they can be underrepresented simply in population terms until there is an injustice being done to urban residents as well. There have been many comments, such as the ones you made yesterday and those we have heard in other sitting locations. I know the commissioners will be considering them carefully.

Mr. Stokes: I do not have too much to say on this, Mr. Chairman. Following up on what the member for Grey (Mr. McKessock) said, have you had any submissions or indications in any presentations that have been made to you thus far about distortions as a result of cottagers in specific areas?

If an election were held in the winter months, there would be a relatively constant number of voters in a particular area, but during the summer that would be distorted dramatically in many areas in southern Ontario, I am told, because of the influx of cottagers. Has this been brought to your attention and do you see it as a problem?

Mr. Stewart: Yes, it has. It was mentioned in connection with the electoral district of Erie at our St. Catharines sitting, in connection with the districts of Huron and Bruce, and most prominently yesterday. I am sure it will be mentioned today as well in Barrie in connection with Muskoka and Parry Sound.

The problem is that residents of, say, Toronto or Mississauga who have cottages elsewhere

should not be counted twice, as far as the commission is concerned. They should not be counted both in Toronto and in Muskoka and have double representation. If their permanent residence is not in these areas, as I understand it, they should not be voting there.

In terms of population equality, the idea is to count people only once. At the same time, some statements were made yesterday to the effect that there is a problem with the census figures, because the census figures do not count as permanent residents some people who are permanent residents but happen to be living in what the census classifies as cottages. We will certainly be investigating that and attempting to determine whether the 1981 census figures accurately portray the number of permanent residents in these areas.

Mr. Stokes: I understand you are holding hearings in Thunder Bay. Several people have asked me if there is anything they should be doing. There was a big double-page advertisement in the Thunder Bay papers, and they thought it was of some import. I see no material change other than a couple of minor shifts in the boundaries to reflect a community of interest or to make it easier logistically for the returning officer. Is it your intention essentially to leave those ridings as they are and to maintain the 15 ridings we do have north of the French River?

Mr. Stewart: Yes, this is right. In the Thunder Bay setting itself, there is no material change, except for a name change to the ridings in the city of Thunder Bay about which the residents might have some feeling. There is no significant change to the actual boundaries.

10:20 a.m.

Mr. Eakins: Mr. Chairman, I have a couple of questions. We will see you in Peterborough tomorrow, along with some other well-known people.

Mr. Speaker: If they finish in Barrie today.

Mr. Eakins: Yes. Mr. Stokes asked about the summer population. Were they considered in these proposed changes, or did you only consider permanent population?

Victoria-Haliburton with all its beautiful lakes is an area that is heavily populated in summer. It makes quite a difference whether they are counted as part of the population or are not considered at all.

Mr. Stewart: The general policy is not to consider them, certainly not to count each summer resident as one in determining the population counts. At the same time, I could not

really say the commission did not consider the issue at all.

I guess you might say that if there was a question as to whether a riding was big enough to be able to continue to exist or not, or a question as to whether some other large population area should be added to it, and that area did have a large summer resident population, the commissioners may have considered that as a factor in determining the size of the riding.

By and large, the commission's view is that people can only be counted once. Therefore, summer residents cannot be counted in their summer areas.

Mr. Eakins: It is difficult if you consider population only because if you are trying to make up population you can have a rural area that is very large. Then it is difficult to serve the people. The population may be scarce, but those people are entitled to good representation. It is quite a lot different from a heavily populated area in downtown Toronto. If I were a member for downtown Toronto, I would park my car and walk around to visit the people. One does not do that in rural areas.

From my point of view, the difficult part of making a presentation is that we really do not know the thinking of the commission in arriving at a proposal, other than the terms of reference as outlined by the Legislature that it will take certain things into consideration.

There is really no explanation why, in my own case, they would not add anything to the riding but would try to remove three townships just to justify two other areas. That really confuses many people. There is no explanation how they arrived at this so we can debate or discuss the issue.

Mr. Stewart: I know we will be hearing from the people in those townships—Carden, Dalton and Manvers—tomorrow in Peterborough. In the commission's report to the Legislature, some explanation of the commission's reasons will be included.

Mr. Eakins: What will be the final decision?

Mr. Stewart: The report to the Legislature is the second of three stages. After we submit the report, it can be debated in the Legislature and sent back to us for further changes.

Mr. Eakins: I see.

Mr. Stewart: At that time, an explanation will be available as to why the commission has proposed the boundaries.

Mr. Chairman: We could spend all morning on this, but we have two more speakers, so I would ask you to—

Mr. Eakins: We have not spent all morning.

Mr. Chairman: I said we could.

Mr. Eakins: We have not.

Mr. Chairman: I know we have not. We have four other items. We have a few other speakers.

Mr. Eakins: We were late getting under way.

Mr. Chairman: We are still going to put in two hours, so it does not matter.

Mr. Stokes: In a more facetious vein, would it be out of order for me to move a motion that Mr. Speaker be now heard?

Mr. Speaker: That may not be as facetious as you think.

Mr. Chairman: Do you have any further questions? We have two more speakers.

Mr. Eakins: I have a couple of questions, but I think I will leave them until tomorrow. I would just like to know the background of how the commissioners arrived at this proposal.

Mr. Barlow: Mr. Chairman, I made my presentation in Kitchener a few weeks ago. I have since had a brief sent to me from a municipality that I am sending forward to your office as of today. Would something like that be considered when it is not heard before the full commission, the full board?

Mr. Stewart: Written representations are just as valid. Anything sent in before the end of the public hearings will be considered.

Mr. Gillies: Mr. Chairman, the question I want to ask does not affect me personally. It is a question of the number of municipalities in a constituency. I am fortunate in that my riding now consists of one municipality, and if your proposed redistribution goes through it will still be one municipality.

However, I have heard a lot of concern expressed by some of our members who have large rural ridings that may consist of a dozen or 15 different municipalities, different councils to deal with on an ongoing basis. One of our members raised in caucus the fact that he had a great number of municipalities now and that it was increased considerably under the redistribution.

I wonder if you take that factor into account, along with the raw population numbers and the demographics that I know you have to look at. For a member with, say, 15 or 20 municipal councils in his or her constituency, that must be an extra responsibility, an extra strain, and it would make the job that much more difficult.

Mr. Stewart: We have received many representations and views, Mr. Gillies, expressing

concern about the number of municipalities in rural ridings. I would say the commission tried to take that into account, in the same way that it attempted to take into account the different statuses of rural and urban ridings and the different demands on a member from a rural riding as opposed to one from an urban riding.

Again, it may have been that the commission did not take that factor into account as much as it should have, and certainly there have been many representations about it. That is one of the points the commission will be looking at again as a result of these hearings.

Mr. Harris: Could I have a supplementary on that, please? It is very brief.

Mr. Chairman: You are sure it is a supplementary? Okay.

Mr. Harris: It is on the members, and they are from all sides of the House, who have large numbers of councils to deal with. The problem is further complicated in that, obviously, these are primarily in rural ridings, very small villages in northern Ontario. They are unorganized but they have a local roads board and a volunteer fire department. Many of them cannot afford a full-time clerk, or if they can, it is someone from a nearby municipality who does not have the expertise and the rest of it that larger municipalities have.

I see it as a multiplier effect. Not only is it the number of councils—and I do not want to use the wrong word and be misquoted out in rural Ontario; I do not want to say the quality of councils—but there are councils that are very far removed from the bureaucracy. A local member in many cases acts as the town clerk or the town administrator in dealing with the government of Ontario.

I would ask you to take that into account. I am pleased to hear you say that perhaps it should be a more weighty factor. From the member's point of view, that is more important than population. As far as serving his area and the people of the area is concerned, if one has to deal with 30 councils that makes up probably half of the member's work load.

I just want to impress on you that it is not only the number, it is the amount of work the member gets involved in with the smaller municipalities, because there is not the same degree of sophistication and the same numbers of staff as when one is dealing with Queen's Park. I do not think I am overstating the case by saying that for some of us that is more important than the numbers. Yet the numbers question is your number one criterion

and then you factor in these other little things. I wanted to impress that point upon you.

Mr. Chairman: An excellent supplementary.

Mr. McKessock: I think the argument about the summer residents is another good argument for maintaining the rural ridings. Although I did not use that in my presentation yesterday, that is the same in my riding, in Collingwood township and the Meaford-Thornbury area. I get a lot of correspondence from people in Toronto because they tell me I am their summer member, or their winter member in the case of the ski hills. The population increases greatly, sometimes in the winter and sometimes in the summer.

10:30 a.m.

I think that is another argument for maintaining the rural ridings the way they are.

I have one other question. You must have stuck pretty rigidly to the regulation that the request to be heard yesterday be in so many days ahead. The Grey Liberal Association sent in a request and apparently was told it was too late. There were 72 on the list, but I noticed yesterday there were 74 when I got there.

Mr. Stewart: There were some additions. MPPs are not required by our rules to give written notice. There were three or four people who gave late notice for that sitting. Since there is some question whether we are going to be able to hear, even at the end of today, all the people who want to speak, we were not in a position to allow people to speak when they had given notice later than the rules allowed.

Mr. McKessock: When their written presentation comes in, it will be considered the same as any others?

Mr. Stewart: Yes, that is right.

Mr. Chairman: On the last point you made, Mr. McKessock, I have the same problem, as I am sure do other members who have a lot of cottages in their areas. Even though they are not part of their population, they do get an extra work load from them.

Thank you very much for appearing before us, Mr. Stewart.

Mr. Stewart: Thank you, Mr. Chairman, for allowing me to speak first. Now I will go back up to Barrie.

Mr. Chairman: I will see you this afternoon. Now for the clerk's office.

Mr. Lewis, do you have an opening statement, or are you prepared to receive questions on vote 1101, item 2, office of the clerk?

Mr. Stokes: I would like to clear up something that was in the estimates last year, although there is a reduction this year of some \$12,000. It was for a special project for the office of the clerk. Is that completed? Could you advise the committee what the status of that special project is? There was \$12,000 in last year's estimates for consulting services for a special project for the office of the clerk. It is not present now, but I am wondering about the status of that special project and its nature.

Clerk of the House: That was for examination of the electronic equipment in the office and of the filing system for the whole office, including the offices of the committee clerks, to see if it could all be co-ordinated into one system and what, if any, additional electronic equipment we needed. That is almost completed at a much lower figure that was estimated at that time.

Mr. Stokes: What have been the results of the study?

Clerk of the House: We have not got the final report yet, but it will come in at just over \$4,000 altogether.

Mr. Stokes: There is no money being voted for that in this year's estimates. Is it a carryover from last year's \$12,000 you allocated for that purpose?

Clerk of the House: No, I think we allocated \$5,000 this year, and it will come in at just over \$4,000.

Mr. Stokes: What do you hope to achieve?

Clerk of the House: We hope to achieve better service for the House, by being able to prepare copy for the House documents faster and more efficiently. One difficulty now is that the committee clerks, who have a great deal of work for the word processor, have to wait their turn, particularly when the session is on, until the work of the House that is required to be done by the word processor is out of the way. Then they get their turn, which delays them getting their work ready for committees.

I am hoping one of the recommendations will be that we can have a second word processor the committee clerks will be able to use on a full-time, year-round basis.

Mr. Stokes: An additional \$154,000 was granted, which increases the complement of the office of the clerk classified staff from 17 to 22, for an addition of five, and the unclassified from one to three, for an addition of two. Is this because you transferred this item out of the sessional requirements into the office of the clerk?

Clerk of the House: That is correct. It is just a transfer.

Mr. Stokes: It is just shifting it around in a different item in the estimates as opposed to increasing the complement.

Clerk of the House: The Board of Internal Economy authorized an increase in the regular complement, and four people who were on contract were shifted to the regular complement.

Mr. Stokes: What was the reason for doing that?

Clerk of the House: Three of them are secretaries to committee clerks, and they certainly are essential. We are hoping that if we ever manage to get the facilities to have all the committee clerks together, as you and I discussed at one time, we might be able to do with three or, at the most, four secretaries. But at the present time, the way they are, we need five.

Mr. Stokes: All scattered around like Brown's cows.

Clerk of the House: The Board of Internal Economy authorized us to put three of them on complement for the time being, and the three who wished to come on complement we took. Fortunately, as it turned out there were three who wished to come on complement and two who did not, so we have three on complement. In addition, the lady who runs the word processor was on contract and, of course, she is essential, so she was shifted to complement.

Mr. Stokes: I notice you have a decrease of \$28,000 for an item called temporary help. Are you able to rationalize the duties of your staff to the extent that you will not have to rely on temporary help to the extent you did in the past?

These are the working papers for the Board of Internal Economy. You do not break it down in the estimates, but when the board approved the estimates in principle, I noticed that in responsibility 863 there was a reduction \$28,000 for temporary help, and I was just wondering whether you have had another look at that. Do you feel you do not need the amount of temporary help you did in previous years?

Clerk of the House: I did not realize there was a reduction. This apparently still applies to the same people who were shifted from contract.

Mr. Stokes: They are classified now, so they would not be categorized as temporary help any longer. I was just wondering—

Mr. Speaker: That was the point: they were transferred; they are not classified as temporary help any more.

Mr. Stokes: But that was included in the overall \$154,000; or is that a part of it?

Clerk of the House: That is a part of it.

Mr. Speaker: Oh yes, it is a part of it.

Mr. Stokes: Okay. There is an item of \$25,000 for equipment rental. Is that the word processor?

Clerk of the House: Yes. I assume the Xerox machine, too, is on a rental basis.

Mr. Stokes: Is a part of this special project that you are doing looking into the possibility of purchasing that as opposed to renting it, or is it not reliable enough equipment that we should purchase it and cut out the annual fee for rental?

Clerk of the House: It is reliable equipment, but we—

Mr. Stokes: Why should we rent it? Why should we not purchase it outright?

Clerk of the House: We got word from the Ministry of Government Services some time ago that we were to rent when possible. That is my recollection.

10:40 a.m.

Mr. Stokes: What is the rationale for that?

Clerk of the House: I suppose it is easier to change when the equipment changes.

Interjection: Easier to upgrade.

Clerk of the House: That is what I mean, easier to upgrade.

Mr. Stokes: That is as opposed to owning it outright.

The other comment I want to make is that we are losing—and I really mean it—one of the best members of your staff in the person of Dr. Graham White, who is taking up a position with the University of Toronto.

All members will know the excellent work he did on our behalf in committees. He is part of the editorial staff of the *Parliamentarian*. He produced a lot of papers over the past five or six years that have reflected the state of the art in this jurisdiction. He is going to be sorely missed, not only for the exemplary way he carried out his duties as a clerk of the committee, but he is also going to be missed inasmuch as there is not going to be a person of his calibre people can go to and ask: "How do you operate your committee system? What is the rationale for doing things the way you do? How can we improve things?"

I think this committee would be remiss in not making mention that we certainly appreciate what he has done around here on our behalf. I wonder what you are doing either to fill that void from your existing complement or to go out and

recruit someone who can carry out the excellent work he began.

Clerk of the House: There is one person on staff now who has had more to do with the organizational side of committee work even than Mr. White has had; that is, the setting up of the committees, the setting up of the instructions as to how to operate in committee, how the minutes are to be kept and so on.

Mr. Stokes: Who might that be?

Clerk of the House: That is Smirle Forsyth. He has had a great deal to do with the organization of the committee system as it is operating now. Not only that, but Ms. Schoenberger and I were discussing a few minutes ago the action to be taken to fill the vacancy. I think we agree that we will advertise generally this time, get all the best applications we can and have them reviewed.

Ms. Schoenberger has on file right now several applications that people have made in the hope there might be something. Some of them look very good. We will review all the applications; we expect quite a large number.

Mr. Stokes: In due deference to the clerk, we have had some excellent people at the table, responsible for carrying on the steady flow of what happens at the table, but equally important, responsible for what happens in committees such as this one. All too often we take for granted what such people do.

I am surprised there was not some mention made by the clerk, or even by you, Mr. Speaker, saying how much Mr. White will be missed and how much we appreciate the work he has done around here on our behalf. I think all too often we neglect to mention that. If I may be so presumptuous, I would like to say that I, on behalf of all members, want to wish him well in his new field and to thank him most sincerely for the work he has done around here.

Clerk of the House: There is no question of that. Perhaps I should have said something at the outset, but I was not thinking of the estimates from that point of view.

Graham will be greatly missed, as I told him. As a matter of fact, Graham mentioned this possibility to me perhaps a month ago. He said he did not know whether it was going to come through or not, but he thought he should advise me in advance but to keep it to myself. Then he came in last week to tell me that the offer had come through. He said he had quite a debate with himself over the weekend because he did enjoy this work very much. It was quite a decision for

him to make to leave it, but assistant professorships at the University of Toronto do not come along every day.

I told him, frankly, that from knowing him as well as I do, he was making the right decision. He is a born teacher and he will make his mark as a teacher at the university level, I know.

Mr. Stokes: One goes wherever the challenges seem to be the greatest.

Clerk of the House: Yes. I can say that. Like yourself, I wish him the very best. He deserves it.

Mr. Gillies: Mr. Chairman, if I might speak to the same point, I know all of us in our caucus would certainly want to wish Graham the very best in the future. To many of us who came here in 1981, in the early period when this place was rather strange to us and there was so much to learn and pick up on, one of our best advisers in the corridors and in the committee rooms and everywhere else was Graham White. He has guided well and served well any committee that I ever sat on with which he was associated.

Also, of course, those of us in the assembly who have ever benefited from the intern program know of the excellent guidance and administration that Graham lent to that particular program. He has not only been an excellent servant of the assembly in the three-odd years that some of us have been here and the many years before, but he has also in a very personal way become a friend to many.

I am sure that I speak for all my colleagues in saying that we will miss Graham White very much, and I hope that his new career gives him all the rewards and all the happiness he could possibly hope for.

Mr. Eakins: Mr. Chairman, maybe Bob is going to speak to it, but I believe Graham White joined the clerk's office in 1975.

Clerk of the House: It was about that time.

Mr. Eakins: I just want to add to what my colleagues have said and wish him well in his new responsibilities. He has certainly been an excellent servant here to all of us. He has a very human way of working with people.

I have served on a number of committees with him, the select committee on the Ombudsman and others. He has certainly given us great service and always in a cheerful way has been able to help us and provide the information we wanted. He will not be easy to replace.

I just join with my colleagues in expressing our appreciation for having someone of this calibre on staff and in the Legislature. Certainly we are going to miss him and we wish him well.

Clerk of the House: I might add that Graham was one of our first interns; he was in the very first class. After he completed his internship, he went on contract lecturing with York University. When we advertised for committee clerks some years ago, he applied at that time and joined us.

10:50 a.m.

The academic world always did have a great appeal for him, I know. One place where I am going to miss him particularly for a while is in the interns program itself. He has taken charge of the interns program for me for several years now.

Mr. Speaker: If I may say, Mr. Chairman, it was certainly not intentional to pass over Dr. White in any way, shape or form. One of the problems was, on a very personal basis as far as I was concerned, it came as a bit of a shock, and I find it even yet difficult to accept. However, Graham has made his decision and will do well no matter where he goes.

We had, and still have, a very close personal relationship because of the many functions Graham performed around the House. He and his partner in crime, who is at present standing in the doorway, took it upon themselves to advise the Speaker from time to time on many things. As I say, I had a very close relationship with Graham. He would pop in and out of the office from time to time, send me notes and keep me fully informed on various aspects of what was going on.

As well as having the academic professional qualifications for his position, Graham has a unique personality that seemed to fit in with everybody in this place. He is well accepted by everyone. He has an unassuming manner which made him respected by everyone and he did not have any difficulty in communicating with anybody in the building. On a very personal basis he is going to be missed.

He told me some time ago he was thinking of doing this and had made an application, which at that time he asked me to keep on a confidential basis. I suppose that may be part of the reason that not too much has been said. He will not be leaving, as I understand it, for a few weeks yet. I hope when the time comes to seek a replacement, Mr. Lewis and Ms. Schoenberger will look not only at professional qualifications, but also at that unique quality of personality that enabled Graham to serve everybody so well, regardless of political affiliation. He is held in very high regard and very high respect by everyone in this building.

I would like to go on record to thank him very much for the work he has done extremely well

and to wish him well in the future. I have expressed those views to him personally, and he has assured me he will pop in from time to time and say hello and may even use the resources here as part of his teaching position. I am not sure. We look forward anyway to seeing him from time to time and we wish him every success. There is no doubt about that.

Clerk of the House: We should all be quite proud he finished his thesis and got his doctorate, his PhD, while he was working here with the assembly.

Mr. McKessock: I also want to say how much I appreciated Graham White, the job he did and the way he did it. It is very important that whoever replaces him has the personality and the communications qualities Mr. White had. Mr. Lewis, I feel all your staff have those qualities, so I am sure whoever replaces him will be chosen in that light.

I was thinking of how appreciative we are of your staff and how well they do their job. On the recent trip we had to Barbados, Alex McFedries showed his colours. He did a professional job with attention to detail and impressed me with the way he carried it out. I see this in other members of your staff. It is good for the members to be able to communicate with the staff like that. We appreciate it.

Mr. Chairman: Is there anything further?

Mr. Hennessy: I just wanted to say what all the other gentlemen have said so aptly. I share their concern. I think Graham White was an excellent and very cordial person to work with.

Mr. Chairman: I believe Robert Carter is here on behalf of Warren Bailie from the office of the chief election officer. Would you like to give us the names of the people who are with you so we can have them for record purposes?

Mr. Carter: I am replacing Mr. Bailie today. I am the director of operations and communications at the election office.

Mr. Stokes: Is he really in El Salvador?

Mr. Carter: He will be some time this evening, I think.

This gentleman is Jim Goodwin. He is the chief financial officer. With him is Miss Peng Cheah, assistant to Mr. Goodwin.

Mr. Chairman: Do you have an opening statement you want to make or any comments?

Mr. Carter: No, I don't.

Mr. Chairman: Any questions from the committee with regard to item 3?

Mr. Stokes: The only thing we have to talk about here is that the estimate amount is down here as \$1,000. I do not know whether this is a misprint, but it would appear you are asking for only \$1,000. It seems unusual that you can carry on the functions of that office for such a piddling amount. I am not sure whether there is a change in bookkeeping or what, but in the figures that are before us the estimate for 1984-85 is \$1,000. Could you explain that?

Mr. Carter: I will let Mr. Goodwin explain that for you.

Mr. Goodwin: The \$1,000 is the minimum that is required by the computer for each item that is to be voted on. The balance of the salaries and benefits for the election office is disbursed by a kind of warrant under the Election Act. That means the Office of the Assembly actually performs a duty for the election office in paying our salaries for us. They bill us on a monthly basis for that amount of money for our salaries and benefits.

Mr. McKessock: Who bills you?

Mr. Goodwin: The Office of the Assembly.

Mr. Samis: Could I ask you about the experience we went through in the last few weeks as politicians? Certain people in this building went through a panic and worked themselves into another frazzle in total irrationality.

Mr. Speaker: Not you, though.

Mr. Samis: Not me. I did not believe it for a minute. Some of the people in our party did, though, and I am sure maybe even in Mike's party, somewhere.

I am just curious about it. Were you given any instructions of any sort to be prepared for any special event of any sort?

Mr. Carter: Our approach is always to be prepared. I suppose it is like the boy scouts. That panic, as you describe it, if there is enough of it, starts to infiltrate our office. We were prepared and we have been prepared for some time. During the year prior to an anticipated election, we make sure we are prepared. If the election had been called, we would have been ready.

Mr. Samis: I can recall that some of the hawks in our own caucus picked up various stories that a returning officer said he had received certain orders to get ready for a certain date. Does that happen?

Mr. Carter: That happens in the year prior to that anticipated date. We do that each time. We send out a directive.

Mr. Samis: That is what I am not clear on. Do you give out a general directive that an election could be called any time in, say, the next 18 months and that from now on they have to be ready, or do you have other directives beyond that one?

11 a.m.

Mr. Carter: The directive does not mention an election. For instance, Mr. Bailie sent out a directive asking them to review their polling division boundaries, and if sufficient changes were required, he would approve undergoing a revision of those boundaries. They were asked to do that by a certain date. Like in other areas, if you do not set a deadline for things, they sometimes do not get done. That is normal practice. During the year before an anticipated election, we always send out the enumeration supplies that are stored by the returning officers. That is common practice as well. All those things were taken as further signs of an impending election.

Mr. Samis: What directive would have gone out in 1984, for example?

Mr. Carter: This year?

Mr. Samis: This year.

Mr. Carter: The returning officers were asked to review their division boundaries.

Mr. Samis: Period?

Mr. Carter: Period. They were also asked to submit their assessment of the situation in their own electoral districts, as a result of that review.

Mr. Samis: You say that is totally normal and would go on regardless of any rumours.

Mr. Carter: It is sometimes done twice in the interim.

Mr. Samis: So it is mainly a question of the media and certain people in the political parties misinterpreting the directives.

Mr. Eakins: As a supplementary to what the member for Cornwall (Mr. Samis) has asked, you said you notified the returning officers in advance of the anticipated date. What is the anticipated date? If you are going to notify them prior to that, you must have in your mind that next year is the anticipated date.

Mr. Carter: I am also very interested in the historical things in our office. Looking back at them, the anticipated date is usually four years after an election when there is a majority situation. If you had asked me that question when there was a minority government, during that time we got ourselves ready immediately. It is a different situation when there is a majority.

Mr. Eakins: So the anticipated date you are using is somewhere next spring.

Mr. Carter: March 1985.

Mr. Eakins: Right.

Clerk of the House: Having had this responsibility for a good many years, I might add a little from my own experience. Always as we were clearing up from one election, we were starting to get ready for the next one. We had certain dates by which certain things had to be done in anticipation of the next election, as Mr. Carter has just said, viewing the four-year period as the normal period in a majority situation.

I must tell you, however, I never got more than 24 hours' word. Never in all the years I was there. The very most I got was 24 hours' word as to when to issue the writs. Very often I received word the morning of the day I issued the writs.

Mr. Samis: How was your track record at guessing the month and the day?

Clerk of the House: I came reasonably close.

Mr. McKessock: This is not about reviewing the polling division boundaries. What do the returning officers do in a case like that? What is their job?

Mr. Carter: We ask them to talk to municipal officials, clerks of the municipalities, and try to be aware of where population growth has occurred in the intervening years. If they have taken over the district from another returning officer in the past, we ask if they might change to better boundaries, to have balanced numbers of people in each polling division. Generally, we ask them to have a thorough look at those boundaries.

Mr. McKessock: It is a population shift kind of thing that causes them to be looked at.

Mr. Carter: Yes, or where people have been isolated in a corner and have to go several miles to get across a bridge to go to where the polling place is; to take care of those things that happen inadvertently.

Mr. McKessock: What is entailed in sending out the enumeration supplies?

Mr. Carter: Unlike the poll supplies, the returning officer packs the enumeration kits, so he has all the supplies there. He and his people are required to pack up a kit of enumeration supplies sufficient for each polling division.

Mr. McKessock: For the enumerators.

Mr. Carter: Yes, for the enumerators. He gets a bulk shipment of those supplies from which he then packs kits.

Mr. McKessock: You say that is different from the poll supplies?

Mr. Carter: Yes. For storage purposes, we get them out of our way.

Mr. McKessock: What do you mean by the polling supplies?

Mr. Carter: The polling supplies are the kits of material that are used at the polls.

Mr. McKessock: On election day.

Mr. Carter: Right. We pack those in our office.

Mr. McKessock: I was not quite clear on your wages. Where are your wages listed? Under what office for payment?

Mr. Carter: I will refer that to Ms. Robinson, because she is the one who sets up the budget for this.

Mr. McKessock: I was wondering what section the wages are under.

Ms. Robinson: Mr. Chairman, this point seems to come up every year and there seems to be some confusion over it. The \$1,000 showing in the summary version that goes to the House is a token sum only.

It is a regulation in the Ontario government finances that all salaries and wages payments must be voted on by the House. The salaries, wages and benefits for the election office are paid through the administrative office of the assembly. We have a payroll system in effect to issue the paycheques and to control this. We in turn bill the election office, and they reimburse us for this amount through the accountable warrant account.

If we were to net out totally the amount we were to recover from the amount we have paid, there would be a zero figure showing on the summary version that goes to the House, and in that case it would not be possible to have a vote on it. So Treasury has advised us to put in a \$1,000 token sum just to ensure a vote in the House to clear the salaries and wages for the election office.

Mr. McKessock: Are the wages listed under item 9, administration?

Ms. Robinson: No. The detailed briefing book we have in the administrative office will show the details of the salaries and wages, but it is netted out in the summary version that goes to the House, and it shows only the \$1,000.

Mr. McKessock: I was just wondering where that figure showed up.

Ms. Robinson: It will be reported by the election office as paid out of the accountable warrant account, which is a statutory payment.

Mr. Stokes: Who has control of the accountable warrant? Who is responsible for pushing it through and releasing that money from the consolidated revenue fund?

Ms. Robinson: The election office. They pay it out of their accountable warrant.

Mr. McKessock: But does it not show up in any of these items here?

Ms. Robinson: No. It is a statutory payment.

Mr. McKessock: It has to show up somewhere as wages, does it not?

Clerk of the House: I believe, if I am not mistaken, that eventually it is shown in the public accounts. That is the only place it is published publicly.

Mr. McKessock: I can see on the next page here the chief election officer, where the salaries and wages total \$407,000. I just wondered under whose ministry or whose administration the \$407,000 was added.

Mr. Speaker: It is a service that is performed by the Office of the Assembly on behalf of the election office.

Mr. McKessock: They pay the wages?

Mr. Speaker: Right.

Mr. McKessock: The Office of the Assembly?

Mr. Speaker: Right.

Mr. McKessock: So it has to be listed under one of these here as to wages. Is it administration, where there is \$1.8 million?

Mr. Speaker: I do not know; I have not got that copy.

Mr. Fleming: No. The fact is that all of these moneys for the operation of the election office are obtained by accountable warrant directly from the consolidated revenue fund, but for the purposes of control the Board of Internal Economy has the responsibility to review all salaries, wages and benefits, which it does.

The reason it is listed here is that the committee also is able to inspect and evaluate those amounts. But strictly legally, as in the case of the Ontario Electoral Boundaries Commission, the election office can draw those amounts directly from the consolidated revenue fund.

11:10 a.m.

Mr. McKessock: Is that to keep it free from any political influence or so it is not connected with the government in any way?

Mr. Fleming: I would assume so, yes.

Clerk of the House: It also reflects the fact that the variation in most years would be just the

salaries of the staff. Then an election comes and it includes the payments to returning officers and all the election people out in the electoral districts.

Mr. Speaker: If you look at page 9 of your sheets about halfway down—

Mr. McKessock: The wages?

Mr. Speaker: Yes.

Mr. McKessock: I noticed that, \$407,000. This whole Office of the Assembly—the office of the Speaker, the office of the clerk—is supposed to be free from any political influence whatsoever. I felt the wages should be listed there.

Mr. Fleming: Up until several years ago, there was a point when the Office of the Assembly paid those amounts directly. Then the Provincial Auditor recommended those amounts be taken out of the warrant of the election office in the same way election costs are taken out.

Mr. Eakins: I have a short question. As a courtesy to members of the three main parties, do you notify them of any changes in the returning officers? If you have changes in the appointment of returning officers, do you make them aware of that? Is that part of your responsibility?

Mr. Carter: I do not believe it is part of our responsibility to do that. It usually happens that they find out. We really never have had anyone phone in to ask who the returning officer is. If it is a new appointment, it usually becomes known.

Mr. Eakins: If there is a change, how would we find out who the returning officer is?

Mr. Carter: You would call our office.

Mr. McKessock: Would it not be a good service to notify the members if there was a change?

Mr. Carter: I think that would be an excellent service.

Mr. Samis: How many political parties are legally registered in Ontario as of today?

Mr. Carter: I will let the commission speak to that.

Mr. Samis: I am sorry.

Mr. Stokes: Mr. Chairman, this follows from something we discussed with Mr. Bailie last year. Several minor recommendations were made that might facilitate voters getting to a particular poll. We dealt specifically with people who were handicapped.

Some instances were raised by members where voters had some difficulty because of the location of a poll, either up some stairs or down some stairs. Mr. Bailie said he was reviewing all

that and they were going to try to eliminate any problems that existed.

Have you done that? Are there any other changes you are making as general criteria for the returning officers?

Mr. Carter: In Mr. Lewis's time he was very concerned about that subject. It has been an ongoing concern of ours. The new legislation that has had first reading will make it mandatory for all advance polls to be accessible for wheelchairs. Also, as a directive from Mr. Bailie, all ordinary polls—as many as possible—shall give access to wheelchairs.

There is provision in the proposed legislation for the movement of the ballot box in some cases. It is not always possible to have level access. Out of 25,000 polls, it is an impossibility. However, we are doing all in our power to look after and take care of that situation.

Mr. Eakins: You are getting it out of someone's recreation room in an individual home like it used to be. Now you are more in buildings where there is access.

Mr. Carter: Public buildings where that has been taken care of.

Mr. Chairman: Next we have the Commission on Election Contributions and Expenses. We will leave the votes until the last because there are some other items we may want to discuss later. Could we have Mr. Aiken and his delegation please? Would you mind giving us the names of the people you have brought with you?

Mr. Aiken: Mr. Chairman, my name is Gordon Aiken. I am chairman of our commission. On my right is Mr. Donald Joynt, the executive director; and on my left, Mr. Robert Dobson, the registrar.

I have a very short introductory statement to bring the committee up to date on what we have been doing since we last appeared, which was only last fall.

We have held a number of seminars. I think that has been the main activity of the commission. It was proposed for a number of years that we do so. Starting on February 18 and finishing last Saturday, we conducted 20 seminars throughout Ontario in connection with the work of the commission, the filing of returns and so forth.

We had a very good turnout. We are hoping the provincial members will benefit from this in that their chief financial officers, treasurers and party officials will be able to get their returns filed on time and accurately and have no questions raised with regard to finances.

The member for Lake Nipigon mentioned the last time we were here he had not heard anybody up in northern Ontario. In deference to him and to various other members, of our 20 seminars we held nine in northern Ontario: three in the east in Thunder Bay, Fort Frances and Kenora; three in the west; and three in what you might call the south, Sudbury, North Bay and Sault Ste. Marie.

These seminars were extremely well received. We had 341 people attend them. I think the results are starting to show already. We are way ahead in our returns and they still have a month to come in. The advantage of these early returns is we can go through them and make corrections, if they are not properly filed, and get them back to them for explanation and correction so we can have them approved immediately after May 31.

This has been a very pleasing reference. There is just one thing I want to say. We had 100 per cent attendance at one seminar in Peterborough last Saturday. The Speaker was there himself and we appreciated that. We did have about eight members attend the seminars, when it was convenient for them to do so, and we also appreciated that.

This year we inaugurated a pocket guide, which was sent to every member. We have had a lot of good comments on it. It is a guide which in a very brief form helps out new candidates in getting set up for an election in regard to financial matters. It has a section on constituency associations that support those members and candidates, a section on the chief financial officer, a section on the fund-raiser and a section on the limitation on advertising expenses during an election. It was published in January of this year.

We also inaugurated what we call a bulletin.

Mr. Stokes: Where did you get that name?

Mr. Aiken: The Bagman?

Mr. Stokes: I understand some people took exception to it.

Mr. Aiken: We did have some comments, but we have two issues out now. There was one in January and one in April, and we will have one in July. It was a whimsical thing and we did it. Some people thought there should be a nice little trillium in the corner, but we decided to put it out this way.

Mr. Gillies: There are enough trilliums around.

Mr. Aiken: We are going to try to put in a cartoon or a story. We have a cartoon coming in July I hope you will enjoy.

11:20 a.m.

There is one other thing I would like to mention. Within the last couple of weeks the Green Party of Ontario has filed its application with us. They have submitted about 11,000 names. This is to make sure they have the required 10,000 when we do the check. It will take a period of time to check these. If anyone wants particulars, Mr. Dobson can give them to you.

We do check on the authenticity of the signatures on the petition. The Green Party of Ontario will probably be registered within a couple of months.

Mr. McKessock: Is that connected with the Greenpeace association?

Mr. Aiken: No. I guess basically it is the Green Party that has members in Germany. They are registered federally. It is about a year since they applied for approval of their name. They have been out on the street corners with their sheets, very actively soliciting names.

We have had a preliminary look at the return and it does seem to be satisfactory, on the surface at least—there are names, addresses, and telephone numbers, and it seems reasonably logical.

Mr. McKessock: Are they left, right, centre or somewhere else?

Mr. Aiken: They are strictly environmental, as I understand it. They do not claim to be anything other than that.

I might add in answer to Mr. Samis's question, before he asks it, we have seven parties.

Mr. Samis: Could you tell me what they are?

Mr. Aiken: Yes, in addition to the three that are represented in the assembly there is the Communist Party of Ontario, the Northern Ontario Heritage Party, the Libertarian Party, and formerly we had the Unparty Party, which has now changed its name officially to the Freedom Party of Ontario.

Mr. Samis: It is part of the Rhino family, is it?

Mr. Aiken: No, the Unparty Party was part of the Libertarian Party.

Mr. Samis: Libertarians?

Mr. Aiken: Yes, they were an offshoot from the Libertarians. They were more Libertarian than the Libertarians and they called themselves the Unparty, but they have changed their name. I do not know why.

There is a fairly easy procedure in our act. They simply have to file a notice with us that they have changed their name, which they have done. They are now the Freedom Party of Ontario.

Mr. Eakins: There are now seven and possibly eight.

Mr. Aiken: Yes, there will be eight when the Green Party is registered.

Mr. Gillies: So Pat Reid is not a registered party?

Mr. Aiken: No.

Mr. Samis: Not even recognized, much less registered.

Mr. Aiken: That also exists at the federal level.

I have just one word on the estimates. Our total increase is 4.7 per cent. Of that, 3.2 per cent is statutory; we cannot deal with it. The actual increase in our estimates is 1.5 per cent for the coming fiscal year.

Mr. Gillies: I might just say, Mr. Aiken, because we have not met before, that I am a great fan of your book, *The Back-bencher*, which I have owned for many years, and thoroughly enjoyed your comments on the political life back in an earlier incarnation.

I wanted to ask you about something that has been of some concern to me and, I think, to a number of members of the assembly, concerning changes to the Canada Elections Act and what the consequences, or lack of same, might be for our legislation and our practices here in Ontario. I am referring to very controversial changes, in Bill C-169, to the federal elections act which would effectively restrict third party advertising during the period of an election.

I do not particularly want get into the substance of that debate. I know there have been many editorials on both sides of the issue and we all probably have our own thoughts. My personal thought, for what it is worth, is that for all the arguments I have heard in favour of C-169, I think the sacrifice of freedom of speech is too important to be dealt with in the way it was dealt with in that legislation.

After the bill was passed in the House of Commons, you sent a letter to all members of the assembly, as I recall, pointing out to us, quite rightly, that there was no similar legislation or restriction in Ontario.

I know that the commission itself makes recommendations for changes to the Election Act. Other recommendations come from other sources on that same issue—I guess from the government, from the other parties, from interested parties who just write to the commission and so on. I am very pleased there is nothing in our Election Act similar to C-169 to restrict

that freedom of individuals and groups to speak out during a campaign.

Beyond that, is any change of a similar nature contemplated?

Mr. Aiken: No. Our commission has no recommendations along that line at all. There is nothing in the present act. There are a couple of standard restrictions that everybody has to follow, such as on broadcasting—you cannot broadcast on election day or the day previously—and there are restrictions in our act with regard to publication of election advertising, but those apply to everybody.

If those groups want to form a pressure group, they may publicize their ideas in the newspapers, on radio and television. They have to follow the rules that everybody else follows, but aside from that, there are no restrictions in Ontario, and we certainly are not recommending any.

Mr. Gillies: I appreciate that and I fully support all of those existing sanctions that you mention. I just do not want to see us in Ontario heading to a situation where someone or a group of persons cannot, if they want to, take out an ad in the Brantford Expositor, saying that they either agree with something I am doing or they disagree with something I am doing. I think that is too valuable a freedom for us to sacrifice and I am very encouraged that there is no contemplation of that here.

Mr. Aiken: Basically, of course, it is a matter for the Legislature, but as far as our commission is concerned, we much prefer it the way it is.

Mr. Gillies: Thank you.

Mr. Stokes: I want to say to you, Mr. Aiken, Mr. Dobson and Mr. Joynt, how much I personally appreciate what you do on our behalf. I think it is just an excellent operation. You go about your work very methodically, very quietly and very efficiently.

I want to ask you a perennial question. What success, if any, have you had in getting amendments, most of them housekeeping but important in the way you perform your duties? Have you had any confirmation from those who are responsible for introducing amendments? Has anything changed since last year?

Mr. Aiken: I was just checking the last year you were Speaker, Mr. Stokes, but it has not changed since then. At one time last fall we were quite hopeful there might have been some amendments and, in fact, we did review them with legislative counsel, but we have run into the same blockade that has always been there. Unfortunately, the House leaders and the parties

cannot agree on a time schedule for discussion of the amendments.

Mr. Stokes: Mr. Chairman, I move that this committee express its disappointment with the inordinate length of time it has taken for the assembly to implement the amendments to the Election Finances Reform Act, 1975, as proposed by the commission. This committee urges the appropriate minister to introduce these amendments so the commission can carry out its function in the excellent work that it does on our behalf.

The Vice-Chairman: How come you waited until I got in the chair to bring on these things?

Mr. Stokes: I did not ask you to get in the chair.

Mr. Gillies: Mr. Chairman, I have no particular problem with the motion. Jack, are you a regular member of the committee or substituted in, or where are we?

Mr. Stokes: I am a member of the committee.

Mr. Gillies: I am just curious.

The Vice-Chairman: Actually, I do not see your name here, Jack.

Mr. Stokes: I have been responsible for these estimates as long as I can remember.

The Vice-Chairman: Mr. Foulds and Mr. Samis are the members of the committee.

11:30 a.m.

Mr. Stokes: Change it to Samis.

Mr. Samis: I am agreeable.

The Vice-Chairman: Now moved by Samis.

Mr. Samis: I will have to ask Mr. Stokes for more detail on what he means by that.

Mr. Stokes: For the benefit of the regular members of this committee, a series of chairmen of the Commission on Election Contributions and Expenses have been proposing changes to the act to make it more up to date, to make it easier for them to carry on their function on our behalf.

I had the same difficulty when they were presented to me in a previous incarnation. I would pass them on to the appropriate minister. For some strange reason, it never happened. You, Mr. Speaker, are experiencing the same difficulty.

I think that is absolutely ridiculous when a group, such as we have before us, charged with the responsibility of bringing some semblance of order to election finances and expenses, has proposed, for at least six years to my knowledge, recommendations for amendments that will

make their job and their function run smoothly. I am not trying to be mean or spiteful at all. I just think that as an assembly we should get our act together.

When we get legitimate requests for amendments to an existing statute for which we are responsible, if we cannot get those housekeeping estimates passed in an orderly fashion without all of the bickering, without all of the partisanship, and make it possible for these people to carry out their function on our behalf, I think it is time this committee reminded the House of its responsibility and the inordinate length of time it has taken to approve these housekeeping amendments, so these people can get on with their job.

The Vice-Chairman: Is there any other discussion on this?

Mr. Ruston: I have some sympathy with the motion. I am just wondering, when we say "the amendments," it seems to me if I am going to vote on a motion I am going to have to know what suggestions they are proposing to bring in. I do not think it would be fair to ask someone to vote on this motion without knowing what these so-called housekeeping amendments are.

With respect to this motion, I am pretty sure they are housekeeping amendments, but sometimes we will have a minister bring a bill into the House that he says is housekeeping but which, when you delve into it, does a hell of a lot more than housekeeping; it almost takes out the walls.

Maybe it can be done very simply, with a small list or something. I do not know, but it seems to me we should have something before us before we vote on that motion.

Mr. Aiken: If I might intervene, the amendments that we have requested passed a standing committee of the Legislature in 1982. They spent some considerable time on them. We have added two, I believe, but these amendments were all fully discussed in the standing committee on procedural affairs in September 1982. We have them here, but that is the situation.

The Vice-Chairman: Mr. Samis, I have reviewed your motion and carefully considered it. I rule that this motion is out of order. We are not dealing with the Election Finances Reform Act and this motion refers to amendments to it.

I think it is entirely in order for you, Mr. Samis, or your colleagues, to express through the process of the estimates your disappointment, but I do not think it is in order that this motion be voted on by an estimates committee, and I so rule.

Mr. Stokes: Is that the kind of advice you got? If that motion were made in the House, it would

be considered mischievous, frivolous and out of order. There really is no vehicle other than this committee through which the House or an emanation of the House can express its displeasure on behalf of the Commission on Election Contributions and Expenses. They are here asking for funds so they can carry on the work they do.

If it is not legitimate for a member of this committee to use this vehicle through you, Mr. Chairman, when you are reporting these estimates to the House and there is an opportunity for a concurrence debate of two and a half hours, it would similarly be ruled out of order. I do not know what reason the clerk would give for ruling it out of order, but I am sure it would receive the same treatment.

If we cannot, as a group of people who are responsible for making that commission run more efficiently, as a committee that is going over it with a fine-tooth comb and making our comments, use this vehicle to make the House aware there is a job to do, something that has been pending for at least six years, perhaps you and the Speaker and the clerk can advise me what vehicle is open to a member of the Legislative Assembly to remind all members there is a job undone.

This has been pending for far too long. I think it is ridiculous. We have become impotent in our ability to carry out what I think is a legitimate function of a committee of the Legislative Assembly. This is the only vehicle we have.

I am not trying to be mean about it. I think we should remind those who are responsible for bringing in these recommendations so these people can carry out the work they do. If we cannot use this vehicle, I think we might just as well pack up and go home.

The Vice-Chairman: With respect, Mr. Stokes, I think you have already used this vehicle. Your comments are part of the official record that will go forward. That is the purpose of the estimates. I presume you can introduce a bill if you actually want a change—

Mr. Stokes: That would go the way of a dodo bird. You know that.

The Vice-Chairman: If the majority of the House does not agree with you, that is not really my fault.

Mr. Eakins: What ministry does this come under?

The Vice-Chairman: I do not know. It is out of order anyway.

Mr. Eakins: If certain amendments have reached a certain stage, what is wrong with this committee inquiring where they stand and what action is going to be taken?

The Vice-Chairman: That is a fair question. That is why you are here, to ask those questions if you want.

Mr. Samis: But these people cannot answer them.

Mr. Eakins: What ministry would bring this legislation forth?

Mr. Stokes: The government House leader would normally bring it in.

Mr. Eakins: So it is in his hands and he is letting the thing sit.

Mr. Stokes: As did his predecessor.

The Vice-Chairman: I understand there are House leaders' meetings every week. Every party I know of is here with the exception—certainly those who have elected seats, not the Green Party, but all the others. You have input on a weekly basis to the House leader to inquire about government business. It is my understanding they do operate pretty much on a consensus basis. Certainly, this is not the vehicle to introduce that type of motion.

11:40 a.m.

Mr. Stokes: I am really disappointed. I am not going to ask you to reconsider, Mr. Chairman. The decision has already been made.

I am disappointed in the unwillingness of a committee of the Legislative Assembly of Ontario to accept its responsibility to remind the House there is a job left undone. That is all it is. It is not a directive. It is a reminder that there is a commission, an emanation of the Legislative Assembly for which we are collectively responsible, that has made a very straightforward and reasonable request to change a statute that governs the way it conducts its affairs and we have been remiss.

I think we should take a look at the way we conduct our affairs in all committees in this House. We have been rendered impotent; we are a bunch of political eunuchs. If we do not accept this motion, we are just like Pontius Pilate, we are washing our hands of it. This commission and these people, who do excellent work on our behalf, are going to go away from here saying, "We wasted our time." Frankly, on the basis of the ruling that has just been made, I agree with them.

I have some other comments I want to make on other votes, but I want to say I am very disappointed. If it were not for the people who

have been sitting here for many hours to carry out their responsibilities in accounting for the work they do, I would be disposed to leave this meeting right now. In deference to them, I will not do so. But I am very disappointed that you will not even accept a motion that is just a little nudge, just a little reminder to the House that we have a job to do. For some strange reason we lack either the wit, the will or—

Mr. Speaker: The wisdom.

Mr. Stokes: —the wisdom to do it and get on with it.

Mr. McKessock: After all that I forget what I was going to ask. I will pass.

Mr. Samis: You inspired other members with their rather nebulous habits around here. I had better be careful.

I just want to get back to my curiosity about parties. I have to plead ignorance, first of all, on the contents of the legislation. Once a party is registered, what benefits does it bestow on them?

Mr. Aiken: The main benefit is that they can accept contributions from the public and issue receipts to the contributors, who can then apply for income tax refunds of up to 75 per cent. This is the basic benefit. A candidate for election, or a local riding association, or a political party cannot accept contributions from the public—in other words, they cannot accept money at all and cannot solicit money—until the party is registered.

Mr. Samis: The criterion for acceptance is 10,000 names on a petition, as opposed to members. Is that right?

Mr. Aiken: No. These are parties that do not have representation in the assembly. Under section 10 of our act, a political party that has a minimum of four seats in the assembly, has nominated candidates in at least 50 per cent of the electoral districts in the last election or nominates candidates in at least 50 per cent of the districts in an election that is proceeding may apply for registration and be immediately registered. The others that do not have the required number of candidates or the required number of members sitting in the House must get 10,000 names indicating support for registration of the party.

Mr. Samis: To be registered, there is no obligation on them to prove that their membership is beyond a small number or that they have riding associations in a minimum number of ridings? There are no regulations, restrictions or qualifications they have to meet in that respect. Is that right?

Mr. Aiken: No. They consider the 10,000 names to be pretty onerous. A party like the Green Party has taken a year to get its 10,000 names. It is onerous. We have 15 parties outstanding that have applied but have never got 10,000 names. We issue in our annual report the names of those who have had name approval and have picked up their forms but have never managed to get their 10,000 names. Once they are registered, they can then appoint local riding associations, but they have to be registered as a party first.

Mr. Samis: My concern is that you might have people who meet the petition requirement and qualify for the responsibility of accepting donations and giving out tax receipts but who do not even run candidates.

Mr. Aiken: That is true.

Mr. Samis: I presume this has happened in Ontario with the law we have.

Mr. Aiken: Yes. The Northern Ontario Heritage Party.

Mr. Samis: That is the one I was thinking of.

Mr. Aiken: They have no riding associations.

Mr. Samis: Do you regard that as somewhat counterproductive or ineffective? You create a situation where you want to allow third, fourth, fifth and sixth parties to exist and to receive the benefits of the legislation, but in effect they do not have the basic ability even to participate in the process by nominating candidates.

Mr. Aiken: That is a fact. That is the way the legislation was passed. We have had no problem with it.

Mr. Samis: I can see where it does not cause you problems, but I have some reservations about it—

Mr. Aiken: It has not caused anyone problems that I know of. That particular party has very limited activity. It files its annual—

Mr. Samis: Which is that one?

Mr. Aiken: It is the Northern Ontario Heritage Party. They are required to file annual returns as to contributions received and expenses made, and that is their total responsibility as far as we are concerned.

Mr. Samis: Let us go through the seven. I presume the Communist Party of Ontario would have run candidates in the last election?

Mr. Aiken: Yes.

Mr. Samis: What are the other parties again?

Mr. Aiken: The Libertarian Party.

Mr. Samis: Did they have registered candidates in the last election?

Mr. Aiken: Yes.

Mr. Samis: Have you any idea of the number? Was it half a dozen or a dozen?

Mr. Aiken: Mr. Dobson can answer that.

Mr. Dobson: There were 14, from memory.

Mr. Samis: Okay, and the other two parties were—

Mr. Aiken: There is the Unparty Party, which is now the Freedom Party.

Mr. Samis: Did they run any candidates?

Mr. Aiken: One.

Mr. Samis: What is the seventh party?

Mr. Aiken: The one in Northern Ontario.

Mr. Samis: They did not run a candidate. I have reservations about that. I realize that is our responsibility and not yours.

Can I ask you in closing how we treat third, fourth and fifth parties compared with other provinces in that respect? Are the qualifications more difficult, about the same or more lax in other provinces that have legislation?

Mr. Aiken: I think two or three of the provinces have almost identical legislation. Others do not have any legislation of that stature.

Mr. Joynt: Alberta and British Columbia have a registration process similar to ours.

Mr. Samis: Are we virtually on the same wavelength as the feds in our legislation?

Mr. Aiken: We are not on the general legislation. That is what fouls everything up a bit. We spend a lot of time at our seminars, particularly right now, when there is obviously a federal election coming.

A lot of the people in local riding associations work for both the federal and provincial parties. They are the same mainstays for the party in that area. They get confused, and we have some problems helping them at times. We try not to, but the main difference is that the federal legislation does not recognize riding associations.

The other thing we have been stressing now is one cannot transfer funds between a federal and a provincial organization except at the party level, and that is very limited.

Mr. Samis: Say there is some wave of discontent in a particular part of the province, for example the north, and a party came into being but disappeared five years later, would it still be registered with no mechanism for you to take it off?

Mr. Aiken: We have deregistration procedures, but as long as they file their returns—

Mr. Samis: Their annual returns.

Mr. Aiken: —their annual returns, they continue to be active. If they cease to file their returns, we automatically deregister them and they are not active.

Mr. Samis: Have you had any that fit that description?

Mr. Aiken: Not that I know of.

Mr. Samis: So the Northern Ontario Heritage Party is still filing annual returns with you.

Just in closing, I want to join Mr. Gillies in complimenting Mr. Aiken on his book, bringing out some of the frustrations of being on the back bench. It is a condition experienced by many people around this place. I think I read that book before I ever got mixed up in this business and found it very revealing.

I also want to compliment and thank Mr. Dobson for the always courteous and efficient service he has provided to my own riding association. We appreciate it very much.

Mr. Hennessy: What is the status of an independent candidate? Is it possible for an independent candidate to run?

Mr. Aiken: Oh, yes. He does not have to belong to a party, but he has to file returns the same as everyone else.

Mr. Stokes: Do not try it, Mickey.

Interjection: He is independent now.

Interjection: Go for mayor, Mickey.

11:50 a.m.

Mr. Aiken: All he has to do is declare himself and register with us. His registration becomes effective at the time the writ is issued, if he has registered before. If he registers after the writ is issued, he becomes a candidate on the day he files.

He also has to file his regular return for the campaign. He has the same regulations as other candidates, and he must file his return of contributions and expenses when it is over, whether he won or lost. He is also entitled to the subsidy, if he gets 15 per cent or more of the vote in his riding.

Mr. Harris: I want to follow up on a couple of things. Once you have accepted the independent candidate, can he raise money?

Mr. Aiken: Yes.

Mr. Harris: Can he give tax receipts?

Mr. Aiken: Yes, when he files with us, he names a chief financial officer who is entitled to give receipts.

Mr. Harris: He can give receipts. Then he files the same type of return?

Mr. Aiken: The independent candidate has some limitations that party candidates do not have. There are some problems, but basically they have the same regulations.

Mr. Harris: The Northern Ontario Heritage Party is the one I am zeroing in on, as an example. The only thing they have to do to maintain their status is file a return. What is involved in filing a return? Is there any membership number?

Mr. Aiken: They have the same return as everyone else. They have to indicate their membership list, that they have a membership list. It is part of their annual return.

Mr. Harris: There is no minimum number of members required? If they had 12 members last year, that is fine.

Mr. Aiken: I suppose it could dwindle away to the three people whose names appear on the return. This is one problem we sometimes have to face. If there are opposing factions in a registered party, we have the problem that someone else may take it over, but that is an internal matter for the party itself.

Mr. Harris: Technically, all they really need is three members, the three signers.

Mr. Aiken: Yes, they have to have a chief financial officer and whichever party officers they wish to name.

Mr. Harris: I will use the member for Rainy River (Mr. T. P. Reid) as an example. He refers to himself as Liberal-Labour.

Mr. Aiken: Liberal-Labour or Lib-Lab.

Mr. Harris: When he runs, he runs as a Liberal? He is registered as a Liberal?

Mr. Aiken: He is endorsed by the Liberal Party of Ontario, yes.

Mr. Gillies: Will that continue?

Mr. Harris: I am not zeroing in on him. I am trying to find out—I will use myself because I do not want to get into personalities, and I am not being critical. If I was endorsed by the Liberal Party, let us say, in Nipissing, could I call myself anything I want in that campaign? I do not have to say I am a Liberal or a Conservative?

Mr. Aiken: Mr. Joynt could probably answer that question.

Mr. Joynt: I think there would be some restriction on that. I doubt very much if a party would endorse a candidate if he chose to call himself a Rhinoceros candidate, if that was not a

recognized party in Ontario, but there is no prohibition in that case under the legislation.

Mr. Harris: So you could advertise yourself as anything you want as long as the party that endorsed you accepted that.

Mr. Joynt: We did clarify this situation a couple of years back for the Liberal Party in the case of the member you were talking about.

Mr. Harris: They were prepared to accept something other than just "Liberal" for someone they endorsed?

Mr. Joynt: They did.

Mr. Gillies: If the member for Nipissing (Mr. Harris) and I wanted to revive the Liberal-Conservative Party, would we need the permission of both parties to use the names?

Mr. Stokes: It is a fact now. Why would you want to?

Mr. Samis: Brian Turner.

Mr. Chairman: Mr. McKessock, have you anything further?

Mr. McKessock: I want to thank these people for the good work they have done and the assistance they have given to our association, especially Bob Dobson, whom we have worked with on numerous occasions.

My concern was with what the member for Brantford (Mr. Gillies) mentioned earlier. I think he was talking about the federal law, which during the writ period will not allow outsiders to advertise. You said there is nothing like that in Ontario, and you are not proposing it.

I have mixed feelings about that. I know I have received some letters opposing this federal law, but it seems to me it may go along with the attitude that a person without unlimited funds can run to be a member, and the election expenses commission can keep it under control so the moneyed people are not the ones who are going to get elected. I can see this federal law maybe helping out in that regard.

If other people are going to put ads in the paper advertising for a candidate or for a party, it is really going around the Election Finances Reform Act, is it not?

Mr. Aiken: Mr. McKessock, you are touching on the boundaries of a situation we are watching very carefully. I do not think it needs to be raised at this time, but we do watch very carefully the political action committees in the United States. This is what we are bordering on; that is, pressure groups. It has not moved up here yet, but everything that starts down there

someone thinks is a good idea, and the Americans are in dire straits with their PACs right now.

Mr. Ruston: Mondale just had that trouble.

Mr. Aiken: Yes. I do not want to take time but, just briefly, when this whole thing started back in the 1970s, they passed legislation that corporations could not contribute to political parties, and the corporations then turned to these political action committees—that is, the teachers, the environmentalists, everybody. They have thousands of PACs in the United States and we frankly do not think it is a good system.

Mr. McKessock: But this federal law would stop that, right?

Mr. Aiken: The federal law would stop it, yes; but we have not got to the situation where it has started.

We in our commission believe the act that was passed in 1975, in spite of the fact that we do not have the amendments we want, fundamentally is an excellent act, probably the best in North America, and we do not want to see it changed. But we are watching the PAC situation very carefully because someone is going to come along one of these days with the idea. This whole thing is bordering on the question.

I am planning to go to Washington in a couple of weeks to a conference down there called PACs and Parties. They are right in the midst of a federal election. They are so concerned about the way things are going that they are having a conference on this particular subject. But this is something that has not touched us yet, and we hope it does not.

Mr. McKessock: We get a little bit of that during election time, do we not?

Mr. Aiken: Oh, absolutely. But the PACs are not organized and financially supported by people with great ideas about how things should go; they are supported by financial interests, and this is the difference.

We always have groups who think you should not kill seals and things like that; certainly no one, I believe, wants to stop them from doing that. The PACs are entirely different; they are supported by big money and they exert a tremendous amount of influence.

Mr. Ruston: Seals are supported by big money too.

Mr. McKessock: Is there any advertising in Ontario during election time by somebody outside the party that contravenes the Election Finances Reform Act?

Mr. Aiken: It is only a financial matter, nothing more. If a party or a candidate supports

it, it is added to his or its election expenses. If the people want to do it on their own and pay for it on their own, they can do that, but they cannot ask for contributions for it because then they become a political party.

12 noon

Mr. McKessock: I see, but it is not added to the candidate's expenses.

Mr. Aiken: Not unless he does it to avoid his limit. If someone proved that to us, we would be on his back. If he went over his advertising limit and then went and got someone else or some other group of people calling themselves "the party" to support McKessock as member, but said, "We are an independent group," in that case we would add that to your expenses and it would then count on your limit.

Mr. Chairman: We have less than 10 minutes to deal with some other items. Thank you for appearing before us this morning. We have some other items of concern some people may wish to raise.

Mr. Stokes: I am sorry we spent so much time on all those items that we have not left ourselves enough time for the other items on which I would like to comment. I am going to do it jointly. One is Hansard and the other is the legislative library.

I would feel remiss if I did not say how much I appreciate the excellent work Hansard does on our behalf in reporting the proceedings of the assembly. Similarly I want to say how much I, personally, appreciate the work of the legislative library and the research services.

I had an occasion recently to ask for some information at the last minute. I had in a group of foreign students who were visiting the Legislature under the auspices of the Ontario Institute for Studies in Education and they wanted some information.

We called the legislative library about a document I was not even aware existed and, within a matter of minutes, they were able to pull it out, send it down and, while those visiting students were in your gallery, Mr. Speaker, it was delivered to them. They went about their business thinking we were a pretty efficient group around here.

Mr. Speaker: We are, are we not?

Mr. Stokes: It was solely a result of the efficient way in which the library staff handled that situation. I want to personally thank Mr. Land, Mary Dickerson and their staff for the excellent way they handled that. It did not go unnoticed by those foreign graduate students.

I would like to ask Mr. Brannan how it was possible for him to reduce the staff so dramatically through attrition. Just be brief; I do not want to take any more time. I know other members want to get in and say something nice about these people. How was it possible?

Mr. Brannan: Briefly, we have not really decreased the staff as much as it looks. When we created the separate committee section, we were given an increased complement of 57, but we never filled it. We never got beyond 52 and we have actually only reduced it by four; it has been by genuine attrition. We have had a couple of retirements and a couple of people have resigned and moved elsewhere. That is the story.

Mr. Stokes: Obviously, it has not affected the way in which you do your work, even though I see there has been a decrease in French language transcripts, consulting services and decreased mailing. What has happened at Hansard to make it possible to reduce all those?

Mr. Brannan: During the period of minority government, when there was a great deal more Hansard activity, we increased our services by creating a separate committee section. To create that section, we had to hire two or three more people.

In the years since that peak, there has been a fairly gradual diminution of the volume of work, so we have been able to reduce our costs and our staff accordingly.

The major reason our budget has decreased is that, since the introduction of word processing and our central computer system, Hansard staff people have effectively been doing the typesetting, and this has substantially reduced our printing cost. That is the major item that has been reduced here.

If you study the reductions, the cost of printing Hansard has decreased \$110,000. That is an estimate, but I think it will be fairly reflected in the coming year. As a result of Hansard staff members doing the typesetting, the last time we tendered the Hansard contract the cost was reduced from \$53 per page to \$34 per page. For

10,000 pages that is reflected in a reduction of over \$100,000.

Mr. Stokes: It pays to shop around then.

Mr. Brannan: I think it was more a matter of us now doing the typesetting than shopping around. It would not have mattered who had got the contract this time, there would have been a very substantial printing cost reduction.

Mr. Gillies: Mr. Chairman, I have another question. I will be brief. On the item on constituency offices, I know a lot of the decisions about the constituency office program come out of the Board of Internal Economy. I do believe, and I would like to state again in this committee, the unsung heroes of the whole process in many cases are the people who run our constituency offices. I continue to believe they should get a considerable increase in salary or an increase in the allowance we have for salary purposes.

I also suggest, perhaps at the option of the member and the assistant, constituency assistants should be eligible for some partial benefits program. I know that would not be appropriate in every case. Some members do not have a durable relationship with their assistants. They have different people in for different purposes. I have two excellent ladies in my office who have been with me since I was elected, and I hope they will be there for many more years. I would like to see them eligible for some partial benefits.

Ms. Bryden: I would like to echo what Mr. Gillies said.

Mr. Gillies: Thank you, Ms. Bryden.

Mr. Chairman: We have run out of time. We will call the vote.

Vote 1101 agreed to.

Mr. Chairman: This completes consideration of the estimates of the Office of the Assembly.

The committee is adjourned until next Wednesday, and we will have a notice of the meeting. I would like, for purposes of the record, to thank Graham White for the assistance he has given me on this committee. I wish him success in his future endeavours.

The committee adjourned at 12:07 p.m.

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No. G-3

Hansard

Official Report of Debates

Legislative Assembly of Ontario

Standing Committee on General Government

Estimates, Office of the Provincial Auditor

Fourth Session, 32nd Parliament

Wednesday, May 9, 1984



Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, May 9, 1984

The committee met at 10:15 a.m. in committee room 1.

ESTIMATES, OFFICE OF THE PROVINCIAL AUDITOR

Mr. Chairman: I call the meeting to order. We are dealing with the estimates of the Office of the Provincial Auditor. My understanding is we have four hours of time allotted. We plan on dealing with two hours today and, if necessary, two hours next Wednesday.

Mr. Archer, would you indicate who is with you so we can have it for the record, and do you have a presentation to make?

Mr. Archer: Mr. Chairman, I have a few opening comments and then I will turn it back to the members.

I would like to introduce the people I have with me. On my left is Mr. Jim Otterman, who is the Assistant Provincial Auditor. On my right is Mr. John Cruise, who is our director of personnel and administration.

I have one or two comments. As you can see from glancing at our budget, over 90 per cent of it is in the form of salaries, so I expect most of your questions will relate to salaries and personnel. Also, as Mr. Stokes had noted, the amount of our 1984-1985 budget is just marginally above that of our 1983-1984 budget, which is unusual.

The primary reasons stem from the fact that our complement has been reduced from 103 to 99 as a result of the exercise by four members of our staff of the special allowance voluntary retirement option that the government had in place last year. As well, we had an employee seconded to us from Management Board of Cabinet in 1983-1984. That arrangement has been discontinued.

One other factor that contributes to a very marginal increase in our current-year budget is we have not budgeted for any merit increases, whereas in previous years we had. The reason for that was the uncertainty at the time as to whether there would be any merit increases under the government's inflation restraint program.

With those few comments, Mr. Chairman, I will turn the meeting back to you. I and my staff members will be pleased to try to answer any questions the members may have.

On vote 1201, administration of the Audit Act and statutory audits program; item 1, Office of the Provincial Auditor:

Mr. T. P. Reid: Mr. Chairman, I have one or two questions for the Provincial Auditor. I like the primary goal you have in the briefing book, "To help the Legislature hold the government accountable..." I think there has been a change, has there not, in the goals in the sense that those exact words "hold" and "accountable" were not part of the description?

Mr. Archer: I guess we have recognized in recent years that accountability is the key in government. Therefore, we have managed to work that into our goal definition. That is right.

Mr. Stokes: The lingo has changed, but the objective has not.

Mr. Archer: Probably not.

Mr. T. P. Reid: I think it is a little more concise. I think the average taxpayer can probably grasp this better than some of the descriptions in the past.

I am concerned about the size of the staff. We had this discussion both in the standing committee on public accounts and when your estimates were before us as to whether you have sufficient staff. Year after year you tell us you do. I do not think I will pursue that, because I suspect you will tell me again that you do have sufficient staff.

Can we discuss what, if anything, you are doing on comprehensive auditing? Are there people on your staff who are pursuing this or have you decided it is not worth pursuing in a big way? Where do we stand on that particular issue?

Mr. Archer: In my estimation, in our last two annual reports we have stated our position on comprehensive auditing very clearly. Our office has not fully embraced the concept of comprehensive auditing. We have adopted the value-for-money or the broad-scope audit mandate, which really is the mandate we have under our Audit Act, to look at government operations from the standpoint of economy, efficiency and whether they have measures in place to assess the effectiveness of programs. It is a much smaller scale.

Comprehensive auditing, if you read the definitions that come out of the Canadian

Comprehensive Auditing Foundation, make extensive use of people with other than auditing backgrounds. They stress very heavily the use of what they term multidisciplinary teams. They might have engineers, doctors, sociologists and educators on this team, depending on what area they are looking into.

They seem to attack projects on a much larger scale. They might go into the Ministry of Health and try to review the whole operation and come out with an assessment of how the Ministry of Health is doing.

Where that has been practised is primarily with the Auditor General of Canada. These assignments will take two and three years to complete and hundreds of thousands of dollars in audit costs. We just do not feel that comprehensive auditing on that scale is a practical approach or a cost-wise approach.

We are taking a much smaller approach. We will go into the Ministry of Health and this year we might look at the hospital program. Another year we might look at the payments-to-physicians activity and take much smaller parameters and see to what extent the management process being followed in the administration of those programs is in keeping with the generally accepted management standards you can get out of virtually any management text; or specifically the management standards project which the Ontario government has had under way for two or three years, that has enunciated very clearly the various principles and guidelines that managers should follow.

We will go in, using those as guides, and attempt to assess just how well a given program, a given activity, a given function is being managed, and try to assess that and come up with a conclusion. That is a very long and rambling explanation of where we stand. We think comprehensive auditing, as it is currently being espoused, is just a little too rich. We think we can provide the service the Legislature is looking for by adopting the lesser approach, which we term broad-scope or value-for-money, and which looks at segments of an operation as opposed to trying to do the whole operation at one time.

Mr. T. P. Reid: I do not believe comprehensive auditing is the be-all and end-all to everything. I just wonder if we should be a little more active in it to see if it would provide any benefits.

I am not suggesting we should spend hundreds of thousands of dollars and thousands of man-hours, but when you look at the ministries of Health, Education, and Transportation and Com-

munications, you are looking at well over half of the budget of the province. It seems to me it might be money well spent to do some pilot projects; bite off a smaller chunk than one of those ministries, to try to do a comprehensive audit, as well as it can be done, to see what the returns would be.

Frankly, as a member who has been here 17 years I find that none of us understands government finance very well. As a legislator I find it just impossible to try to get my head around these kinds of numbers; even to try to discern whether things are being well managed or not is awfully difficult. We do seem to be going at a little piece here and a little piece there, and it does not give us an overall picture of how well things generally are being run, or if they could be run better.

I am not saying we should be doing this 100 per cent, but I think it would have some effectiveness in trying to decide whether or not some of these ministries particularly are being well run.

Mr. Archer: Mr. Chairman, I think the member is saying that he would like to see us attack a ministry on a broader base so that what we came back with would give the members of the Legislature a better feel for how a ministry is operating, as opposed to how the administrators of a particular program in that ministry are operating.

We have attempted to do not necessarily a whole ministry but certainly the essential ingredients of a ministry. In this year's report we had what we called a broad-scope or value-for-money audit of the Ministry of Tourism and Recreation. We took a look at virtually 75 per cent of the activities of that ministry and reported to the Legislature our assessment of what we saw. It is a small ministry and we were able to do that review in a reasonable time, about three or four months. To do that on the Ministry of Health, I would say, would get into years probably.

The broader base is something we are experimenting with and we will be attempting to move beyond the small ministries, like Tourism and Recreation and Labour, into larger ones. I still think that if we get into the really big ministries like Health, Education and Transportation and Communications it would only be practical to take a segment of each ministry and try to report back to the Legislature on the health of that particular segment.

The member mentions that Health and Education are where the big money is, and that is true.

When we say this we have to remember that the bulk of the money in those ministries is going out in the form of transfer payments, and when we look at those ministries we are only really looking at the expenditure of money up to the point at which it is handed over to these third parties, be they hospitals, universities or whatever.

We stated very strongly in this year's report that we are concerned about what happens to the money after that, when it gets into the hands of these third parties. We do not feel the government really has a good handle on how well this money is being administered in the hands of these third parties.

The government has generally accepted the criticism that it does not; it has accepted that it is its responsibility, and we see that it is trying to improve the accountability back from the third parties to the government. We see our role there as keeping an eye on the situation and seeing that this accountability relationship is strengthened.

10:30 a.m.

It has been suggested that we should start going out and auditing some of these third parties ourselves. We have the right under our act to do inspection audits, and we have done very few of those. We could step up our activity in that area, and we may well do so from the standpoint of trying to encourage or hurry the government in its actions to improve the accountability relationship.

I do not think it is reasonable to expect the inspection-audit clause to be exercised on a broad basis. We are talking about 200 hospitals, 20 universities, 20 community colleges and a couple of hundred school boards. The recipients of transfer payments are so numerous that to expect any auditor to perform any kind of a broad inspection audit routine is just impractical.

We have used that clause more on an exception basis, where we will get information from one source or another, or perhaps as a byproduct of another audit that tells us maybe we ought to go out and have a look at something. We will do it on that basis. To do it as a planned approach, whereby over four or five years we try to cover the bulk of the transfer payment recipients, would be impractical. I would say to undertake that assignment we would require double the staff at least.

I do not think that was the reason the inspection-audit clause was put into the act. I think it is expected that the government has a mechanism in place, without relying on the Provincial Auditor, to provide it with reasonable

assurance that the recipients of transfer payments are managing the money well.

Mr. Chairman: Do you have anything further at this time, Mr. Reid?

Mr. T. P. Reid: Yes, just two short questions.

We have not have been given any indication of time. I understand the study has gone to cabinet, which has not yet dealt with it. Have you been told when the government is going to make some pronouncement on this whole issue of transfer payments?

Mr. Archer: Jim, can you comment on that? Has something come out recently on the situation regarding the task force on transfer payments?

Mr. Otterman: I believe the report of that task force has been made public and it indicates this is going to have further study.

One of the things studied will be the lead ministry role that was advocated in the task force paper. That lead ministry is Municipal Affairs and Housing. I believe it was chosen because it is the most advanced in determining the accountability relationships that exist between the municipality, the province and the electorate at the municipal level. They will now take that a step further and broaden that study of the relationships, look at whether they are in place and whether they can audit them.

Mr. T. P. Reid: The study has been made public?

Mr. Otterman: I believe it has been made public. I could be wrong.

Mr. Archer: We can certainly check into it. I know recently Management Board came out with the results of cabinet's deliberations. Essentially there is a recognition that it is a very sensitive area, the audit and the accountability of transfer payment recipients, and there is really a go-slow approach.

The one definite direction we are taking is this single-audit approach Jim just made reference to, trying to have one ministry serve as the lead ministry. A municipality might receive money from four or five different ministries. Instead of having auditors from the four or five different ministries going in at different times, we would have one ministry act on behalf of all.

Municipal Affairs and Housing has been selected or has volunteered, I am not sure which, to serve as the lead ministry in the first of these pilot approaches to a single-audit report. That is the most tangible evidence of action on the task force report at this point.

Mr. T. P. Reid: I will have to get hold of Management Board because I certainly have not seen that.

I think we now have Price Waterhouse doing a study for Management Board on a sort of update of the Committee on Government Productivity. It seems to me that if we were into comprehensive auditing a little more we might have something ongoing.

I am not suggesting we jump into this and do it across the board. I think something like that, perhaps a small unit within the auditor's office that has some expertise on this matter, might be beneficial in providing ongoing information and approach over the years, rather than setting up something else to reinvent the wheel every 10 or 12 years. It might go some way in improving productivity within the government as well.

The other thing that occurs to me from your estimates is that the taxpayers are paying something like \$30,500 to the Canadian Comprehensive Auditing Foundation through your office. I suspect one of the matters that might flow out of the cabinet deliberations is it is perhaps going to require better management from those recipients of transfer funds.

The standing committee on public accounts in 1979 or 1980 recommended comprehensive auditing for recipients of transfer funds. It would seem a little strange if we are not making some attempt at the Provincial Auditor's level to say to others, "You should be taking this approach."

At the same time we are supporting the Canadian Comprehensive Auditing Foundation, which is also trying to sell these products or services internationally. As the largest province, we seem to be somewhat lukewarm and I can appreciate the reasons why. I suggest we might be a little less tentative in that regard.

Mr. Kells: Mr. Chairman, I am interested in accountability in relation to the Children's Aid Society of Metropolitan Toronto. As you may recall, we are dealing with a \$40-million budget, 80 per cent in the way of a transfer from the province and 20 per cent from the municipality of Metropolitan Toronto.

I am interested in the area of its community workers program. I have been asking the Ministry of Community and Social Services for two weeks to tell me how much it spends on its community workers program. To date, they say they cannot sort it out of their budget.

Whatever it is, they have admitted to having 10 community workers without case loads active in political work in Metropolitan Toronto. They claim, or the executive director claims, they have a mandate under the Child Welfare Act, clause 6(2)(c), which sets out one of the purposes of children's aid societies.

If you read the wording it is very vague, but it talks about preventive work. They claim that under that head they have the right to do whatever they want in a community in the area of prevention, down the line, concerning whatever might be detrimental to children.

I have gone to the legal experts in the building who operate under the Ministry of the Attorney General and who write the laws we ask them to write. They tell me there is no way in the world that mandate can be construed to do the kind of work they are doing. This might be a long preamble, but bear with me.

10:40 a.m.

I found them actively working to have legislation changed to ban adult apartment buildings in Etobicoke. They appeared before the Etobicoke council and got Etobicoke council to make that request.

Upon investigation we find they will deny using their case worker load, but they are actively going door to door for political reasons. They then either write the letter or help the respondent write the letter, and they use their postage meter to send it to me and to the municipality or wherever they want. They make no bones about it: this is the work they do and they claim they have the mandate to do it.

Now, to get to accountability, what is the accountability here? If you believe their version of the mandate they have, they could have armed insurrections or almost anything they wanted to do under that mandate.

Their accountability is to their superiors. Then to whom is the superior accountable? The superior is accountable eventually to an executive director. To whom is the executive director accountable? He is accountable to his board of directors. Who are the board of directors? The directors are anyone who is a member of the society.

You can join the children's aid society for a couple of bucks. You go to the annual meeting, and they put up a slate. It is no more than a service club operation. The slate is never challenged. What you really have is a board of directors accountable to the executive director, a dictatorship of the executive director in Metropolitan Toronto on a \$40-million budget.

Mr. Haggerty: It sounds like around here, does it not?

Mr. Kells: That is right. Now where is the accountability there?

I would want some accountability for that \$40 million. I have their statement upstairs; it does not tell you anything. So you have to work

through the budget, and the Ministry of Community and Social Services cannot even interpret the budget.

In the Children's Aid Society of Metropolitan Toronto alone—there are 51 children's aid societies; this is the largest, of course—we are playing with \$40 million annually, and they also have a diminishing case load. So we have the number of cases on file diminishing and the budget increasing—actually, they are overspending now, and they are balancing up out of their surplus.

Does the auditor not think this is an area he could look into and give some accountability to the taxpayers of Metropolitan Toronto, particularly in that community workers program, particularly when you have the mandate? You cannot find the accountability and I cannot find it.

Mr. Archer: You are suggesting that our office go in to do an audit, I guess, of the children's aid society in Etobicoke. Is that it?

Mr. Kells: No, Metropolitan Toronto.

Mr. Archer: Metropolitan Toronto? All right.

Mr. Kells: I want to know how much money is spent on the community workers program, particularly how much is spent by the 10 workers who have no case load. I would like a description of their activities. I want to know how much the postage meter is ringing up, how much mileage is ringing up and how much backup staff is going into that program.

Say it is \$2 million a year. The children's aid societies around Ontario that do not have this kind of program are subsidizing Metropolitan Toronto's community workers program or political activity program. That does not make sense to me, and I do not think the taxpayers understand it. They are going to begin to understand it, but they do not understand it now. I do not see where the accountability is at all.

Mr. Archer: To expand on the comments I made earlier, you are one member and I am sure all 125 members of the Legislature have concerns of a similar nature.

Mr. Kells: I do not know if we will all accept that; but go ahead, they might have, clearly.

Mr. Archer: For us to respond to one member would require us to respond to all members. As I mentioned, there are hundreds of recipients of transfer payments in sums much larger than \$40 million. Take your 200 hospitals, your 180 school boards and so on.

Mr. Kells: But we are not dealing in volumes. The argument is not really whether it is \$40

million, \$100 million or \$1 million, is it? It is accountability.

Mr. Archer: Yes, but we feel the key here is the relationship between the recipient and the government itself, and this is what has to be strengthened. The government expects that these children's aid societies are going to be accountable to them. But it is not enough to say, "Be accountable"; the government has to tell those children's aid societies what it is they want to know. This has not been done.

Mr. Kells: That is precisely the point. The Ministry of Community and Social Services is calling them in during this budget year and it wants some details on the community workers program. It could not get the children's aid society—and there are five municipal representatives but three were there—to agree to meet with the provincial government to discuss the matter; only on a very close vote of the executive of the children's aid society did they get them to agree even to sit down and talk about it. So you are dealing, obviously, in political activity from within.

Anyway, Community and Social Services knows that now it should get some accountability and, as a matter of fact, today at cabinet I requested that we change it to make sure. We do not feel a mandate is there, but we are going to put some "notwithstanding" language in it so there cannot be any mistake.

It was just a thought. Are you telling me that from the auditor's point of view you would ask the ministry for some accountability?

Mr. Archer: Yes, that is right. This is what we have done. Taking that ministry as an illustration, it is one ministry that has a very active internal audit with regard to its transfer payment recipients, unlike other ministries. For example, the Ministry of Colleges and Universities has very little activity going on as far as auditing of the universities is concerned.

The internal audit in Community and Social Services is very active. They have audited the children's aid societies extensively; not that audit is the answer to accountability, but it is part of it.

Mr. Kells: It is an interesting way to get at it.

Mr. Archer: But if the internal audit of the ministry—

Mr. Kells: At least if they fear some audit—

Mr. Archer: Yes.

Mr. Kells: Do you ever get into so-called mandates? I do not like to use the word "mandate" when there is not one there. From an auditing point of view, do you ever ask, "Where

is the legislation that allows you to do what you are doing there?"

Mr. Archer: Right. This is a key question.

Could you comment on that, Jim? Are you more familiar with the activity of internal audit in the Ministry of Community and Social Services?

Mr. Otterman: Yes. I believe they call themselves the operational review and internal audit group. As Doug says, they have an extensive program and are probably the foremost group in going out and actually auditing the agencies delivering these services to the public.

I believe that program started at least a year and a half ago, possibly even two years ago. I believe it is in the legislation or the regulations that they have the right of access to go in and audit a children's aid society. Therefore, in their case I would say the means of exercising accountability are probably stronger.

Mr. Archer: I would say it is further along in that ministry than in many others.

Mr. Kells: Okay. Having accepted that, and I assume it is right, how do I make a direct request for a report on the breakdown of the cost in the community workers program of the children's aid society? Do I make a direct request of the minister?

Mr. Archer: The minister or the deputy minister. I do not know whether ministries will respond specifically to a member's request. Our office does not. We certainly would take into account any information we get and the next time we do audits we are conscious of the information.

Mr. Kells: I know what I will do. I will get Doug Wiseman to ask a question. Thank you.

Mr. Stokes: Mr. Archer, is there anything in the Audit Act that you find to be sort of an encumbrance and that does not permit you to do the kinds of things you should be able to do to carry out your mandate effectively?

You mentioned that both you and the task force to which you alluded were concerned about the transfer payments and the accountability thereof. In making representations on behalf of hospitals, school boards or municipalities, it has been my impression that there is very close scrutiny by the various ministries. Once they approve the funds, perhaps what you and Mr. Kells have been suggesting causes a problem.

With regard to the actual transfer payment itself, it is my impression there is very close control and scrutiny of the funds that are transferred.

In one instance, we had a municipality that jumped the gun as a result of some increased

industrial activity. They went out and did some short-term borrowing in the amount of \$700,000. The Ministry of Municipal Affairs and Housing was so close to the situation, certainly at the regional level, that it went in and said: "We think you may be headed for trouble. We think you should go under voluntary supervision until you get this short-term cash-flow problem out of the way."

10:50 a.m.

In that regard, I think there is very close supervision with regard to the transfer of these payments.

Is it your impression that we who sit around these tables are performing a kind of a ritual? What would you do if someone charged you with the responsibility of reviewing the committee system in the Ontario Legislature, reviewing the estimates of the various ministries and agencies and offices like your own?

I have no reservation in saying that I know you have a very efficient operation and operate very effectively within your given mandate, but that does not address the problem that comes up from time to time when you report to the assembly on things you think are not kosher or things that are getting a little out of hand, things you think you would like to see improved. That is one side of the equation.

From my perspective, and I do not presume to speak for other members, we are here presumably to talk about the Office of the Provincial Auditor, where you are asking for a very modest increase over last year and we will get a few things off our chests, but we really do not get to the heart of the problem.

Most of the estimates we deal with in these estimates committees are for funds that in large measure have already been spent. If they have not been spent, they have been committed. We talk about things in our own little bailiwick, but we never get to do our job effectively.

I have never felt, in an estimates committee such as this, we were even scratching the surface as to how to improve delivery of services to people, how a plethora of ministries carried out whatever it was they saw as their responsibility. Whatever they do, they spend a lot of money, between \$25 billion and \$26 billion. What we do here around these tables has no effect at all on what they did last year, what they are doing now and what we would hope they would do next year.

If you had the responsibility of remaking the whole committee system, particularly the esti-

mates committees in this House, how would you go about doing it?

Mr. Archer: That is quite a question. I certainly would have to agree with what I think is your underlying theme, that the estimates committee process is not a very effective process. I do not have the answers to how to make it better.

There are probably a lot of small things that can be done. For example, it just surprises me that you would have four hours allotted to a review of the Provincial Auditor's office.

Mr. Stokes: I agree.

Mr. Archer: I do not know what the figure for the Ministry of Health is, but it is probably 20 hours or 25 at the most. It is just incomprehensible to me to have that kind of an allocation of time. I would think some cleanup in allocating the hours would be possible amongst the House leaders. That is just a small thing.

I just do not think it is feasible, when a government is spending \$25 billion, for all of that money to be intelligently scrutinized each year. I think you would have to get more selective, as we as auditors are trying to do, rather than audit the whole government every year. It is just impossible. We try to do it over a four- or five-year period.

It would seem to me to be more effective if the estimates were reviewed on that basis and that in a given year the Ministry of Health came up and you spent 100 or 200 hours on that particular ministry and really got at some core issues. To do that you are going to have to have some research staff. I would not want to comment on whether you think you have adequate staff in that regard.

It is also going to require some nonpartisan discussion.

Mr. Stokes: Precisely.

Mr. Archer: I do not know to what extent that is possible. After all, members of the Legislature by their nature have to be partisan. To expect them to throw that aside and come in and discuss the estimates of a particular ministry from a purely objective standpoint may be expecting too much of them as individuals.

Mr. Stokes: All right, but how do you separate what you see as being a much more meaningful role by estimates committees generally and the role of the public accounts committee? In a microcosmic way, that is what you do. You pick whatever happens to turn you on, or the area where you think you should spend more time. How do you differentiate between the scenario you pose to improve the overall

estimates committees and the role of the public accounts committee?

Mr. Archer: I see them as the two ends of the accountability process. I see the estimates process in theory as the cornerstone of accountability at the front end. You should be looking at this before the money is spent rather than after. As you say, in many cases two thirds of the money has been spent by the time you get around to looking at it or at the time it is scheduled for review.

The public accounts committee comes in at the other end and looks at the money after it has been spent to see whether there has been good value received for the taxpayers' money.

I do not see any conflict. One is looking at it before it is spent to see whether the allocations, proposals and objectives of the spending are reasonable. The other comes in afterwards and asks: "Were the objectives that were set up met? Did they spend the time wisely? Did they manage it well?" and that sort of thing.

I do not think it is reasonable to expect the public accounts committee, meeting once a week for a couple of hours, to deal with a \$25-billion expenditure. I think they have to be selective, and they are. Whether they are being selective on a correct basis, for the most part they are following along with what we audit. More and more they have been introducing some concerns of their own, and I think that is good. To me, two hours a week to review an expenditure of \$25 billion a year is just not enough.

How you correct that, I do not know. There are many committees of the Legislature and the members of the Legislature are burning the candle at both ends as it is. To expect them to spend more time on review of government expenditure may not be reasonable. I can see a lot of problems with the system, but I do not have the answers or the solutions. Maybe what we are doing is the best that can be done under the system.

Mr. Stokes: All right. You have liaised extensively with your counterparts in other jurisdictions?

Mr. Archer: Yes.

Mr. Stokes: Is there any other jurisdiction that does it differently to us and any better than we do?

Mr. Archer: I do not think so. There are minor differences, certainly, from jurisdiction to jurisdiction. I would say Ontario is, if not the best, certainly one of the best.

Mr. Stokes: It is the best.

Mr. T. P. Reid: Under the leadership of a great chairman.

Mr. Archer: From the PAC standpoint, anyway.

My counterparts in other provinces and at the federal level have the same observation on estimates review. Here we have the cornerstone of the accountability process at the front end. This should be better than anything, because you are getting at the money before it is spent, and you end up dealing with just a fraction of the government's expenditure and in a very partisan way.

Mr. T. P. Reid: And parochial way.

11 a.m.

Mr. Archer: Most of the time is spent listening to ministers' statements and pursuing constituent complaints or observations and seldom getting at the guts of the matter. That is true right across the country.

My colleagues do not have any more solutions to that than I have offered this morning. It is an imperfect system we are operating in. I think we have to recognize that, and maybe the best we can do is make a small correction here and there to try to make things better.

Mr. Stokes: Just so you will not be offended, I will ask you a direct question dealing specifically with your office. I notice that as of January 31, 1984, you had 86 employees, while in your budget for 1984-85 you show 99 employees; so you have 13 vacancies.

Are you continually recruiting for the right kind of staff; and in the absence of the right kind of staff, do you not recruit anybody? Is that the situation? Are they that hard to get? Do you not pay enough money? Is it not attractive enough for that calibre of person to come into the Provincial Auditor's office?

Mr. Archer: I think we are very competitive up to a certain level in our organization. Up to what we term our audit manager, we can compete with the private sector very well.

The reason for the low number in our briefing book is that the type of employee we have is very mobile. Most of them possess an accounting degree—a chartered accountant's degree, a registered industrial accountant's degree or a certified general accountant's designation. Once they have that, and with a few years' experience behind them, they are very marketable.

For a couple of years, when the economy was depressed, we had very little movement in staff; but in the last year or so, we have started to get a

very high turnover. People are getting their degrees and some experience behind them, and they are either getting jobs in private industry or we lose quite a number of people to other government ministries for finance and internal audit roles and that type of thing.

I think it is the nature of the beast that we are always going to have a high turnover, and it always takes time to catch up once they leave. In this report, which was as of January 31, we mentioned that we expected to fill all those vacancies very quickly, and we have. As of the end of April, we are up to 95; we have gone from 86 to 95. We still have some irons in the fire to bring us even a little closer to our staff of 99.

I am not so concerned about the numbers as about the quality of staff. We sometimes get questions and criticisms about the number of staff and why we do not have more. I would much prefer to have 99 really good, competent auditors than 125 so-sos. We think we can do the job if we have 100 good auditors. This is what we are striving to do. We think by and large the 95 we have on staff are good, competent auditors.

Mr. McKessock: Mr. Chairman, I would like to ask a supplementary on that. To me, 99 sounds like a lot of people. How does it work? Are they divided up among the different ministries?

Mr. Archer: Our office is broken into six branches. Four of those branches deal with the audit of ministries and agencies. Generally speaking, we have the ministries and agencies broken up by policy field, Social Development, General Government and so on. We have a director, audit managers, audit supervisors, auditors and student staff who are allocated to each of these branches.

The Social Development policy field audit branch, for example, audits the ministries of Health, Community and Social Services, Colleges and Universities and all the other ministries in that policy field, as well as any agencies and crown corporations that report to any of the ministers in the Social Development policy field.

That is how we divide our staff and organize our office to do the audit work.

Mr. Haggerty: I just want to follow along the lines of the previous question about improving the system of auditing and the purpose and the effectiveness of the standing committees or the committees of the Legislature. Do you have post-audit within the different ministries, say, three or four times a year?

Mr. Archer: All of our audit work is post-audit. Most of it was pre-audit 10 or 12

years ago, but all our work in the last 10 years has been post-audit.

We do not go into each ministry every year. There are the odd exceptions, but generally speaking, for the ministries we are auditing this year we go in there only once, though we may be there for two or three months. It is unusual for us to make four or five appearances in one ministry in the course of a year.

Mr. Haggerty: Do you find any difficulties in your post-audit with certain ministries? What ministries do you find the most difficulty with?

Supposing you find some areas of concern with regard to spending practices, do you file a letter with the ministry responsible—

Mr. Stokes: He mentions them in a report.

Mr. Haggerty: —indicating there is a problem area here, or what? How do you go about correcting it if you find some problem?

Mr. Archer: In every audit we do, we make a report to the deputy minister, if it is a ministry.

Mr. Haggerty: That is a post-audit you are talking about.

Mr. Archer: Everything we do is post-audit. We do not see the money before it is spent or the cheques before they go out any more. We used to. At one time every cheque went through our office before it was mailed to the recipient.

Mr. Haggerty: Why has that practice been changed? Is that not some way to be accountable in catching some of these things?

Mr. Archer: It is a very superficial check when we get into a government that is spending \$25 billion a year. To try to audit on a pre-audit basis is—

Mr. Stokes: There is too much delay now.

Mr. Archer: It was recognized—and this was part of the review by the Committee on Government Productivity back in 1970-71—that the provincial audit should convert from a pre-audit mode to more of a post-audit one. That took about three or four years to accomplish.

The objective was to get the pre-audit function, the review of expenditures before they went out, back into the ministries, done either by some unit in the ministry or by the internal audit of the ministry. That took about four years to evolve fully. Since 1973 our office has been completely in a post-audit mode.

As to any difficulty with ministries, we do not find generally speaking that we have any more trouble auditing. It may be inherent in your question that some ministries are less co-

operative than others and try to stonewall us more than others.

Mr. Haggerty: That would never happen here.

Mr. Archer: Not generally speaking. There are certain individuals in any ministry who are more co-operative, more audit-attuned, shall we say, than others. This is true everywhere, whether in government or private enterprise or whatever.

Auditors generally are not well-liked people. Very few people welcome the sight of an auditor. We are sort of a necessary evil. A lot of people recognize it is a function that has to be done and they co-operate fully, as far as they can.

I do not think there are any ministries or agencies in the government that give us more trouble than others. Some produce more audit findings than others, as witness our auditor's report.

Mr. Haggerty: What about the post-audit of crown corporations or other government agencies such as the Royal Ontario Museum and the McMichael Canadian Collection? Do you post-audit those, too?

11:10 a.m.

Mr. Archer: We are the auditors for the McMichael collection. We do a post-audit again.

In the case of agencies, if they are large—getting back to your query of going in two or three times a year—we will go in a couple of times a year, the reason being that for all agencies we have to express an opinion on their financial statements, which means we have to be in there at year-end to make sure they tie up the statements properly. The bulk of our audit work is done mid-year. We go in and review internal control and do our value-for-money reviews. For most agencies, we are in twice a year.

We are the auditors for the McMichael collection. We are not the auditors for the other one you mentioned, the Royal Ontario Museum. Clarkson Gordon is the auditor for that agency, but under our Audit Act it is classified as a crown-controlled corporation. We, therefore, have access to all the working papers of that auditor and his reports.

Mr. Haggerty: What about the Ontario Development Corp.?

Mr. Archer: We are the auditors for that. If you are interested in what we audit, there is an appendix to our report that outlines every agency we audit.

Mr. Haggerty: What about the Board of Industrial Leadership and Development program?

Mr. Archer: That is administered by government ministries. We audit that in conjunction with our audit of government ministries.

Mr. Haggerty: Is there any post-audit in that area?

Mr. Archer: Yes, as far as the disbursement of the money to the recipient is concerned. What the recipient does with it is something else again. The administration of the BILD program is certainly subject to audit by our office.

Mr. Haggerty: You said you do not follow up on what the recipient does.

Mr. Archer: Only if it is a government agency, and we are the auditor of it. Then, naturally, we could follow up.

Mr. Haggerty: How would you follow up on an area of the BILD program where the recipient may have received \$2 million or \$3 million in grants? How do we know the projects are being carried out?

Mr. Archer: Here again, there is accountability back from the recipient to the government. We would go and ask the Ministry of Agriculture and Food or whatever ministry authorized the disbursement.

Mr. Haggerty: That is almost every government ministry.

Mr. Archer: Yes. We would ask, "What evidence do you have that the money was well spent or even spent for the purposes for which it was given?"

Mr. Haggerty: That is right. Is there any audit at that level?

Mr. Archer: That ministry then has to have a mechanism in place to satisfy its responsibility to see that the money is spent for the purpose for which it was given.

Mr. Haggerty: That is one of the difficulties of a committee dealing with estimates. If I look at the way county council or even regional government is set up now, the budget is set up within each department. Every month a committee of the local government will sit down and go through the expenditures and ask questions. We do not have that opportunity here.

The same thing applies to the American government. In Washington, the committees work in a similar way. The cabinet will set up a certain budget and a list of the different projects that are going to be completed in that term of that year. Usually committees have the right to go in and start questioning them on where the money has been spent. They can ask to see a list of the

tenders and the price of each one that is bid on, things like that.

We do not have the opportunity to do that in our form of government here in Ontario. I feel even some of the government members may not be aware of what is really going on, whether there is truly accountability, unless some changes are made in committee, and the cabinet comes in and says: "This is our budget for this year. These are our proposed projects. Now it is up to the committee of the Legislature to decide on just where this money is being spent and if it is being spent in the proper manner."

You have never thought about making any recommendations in this area, but this is one way there really would be accountability in government expenditures.

Mr. Archer: Yes, I think the mechanism could exist today through the public accounts committee.

Mr. Haggerty: But you said two hours a week is not sufficient.

Mr. Archer: That is right. There again, you are talking about the whole committee structure. How is it possible to get more than two hours a week on public accounts? Something else has to suffer. There are only so many hours in a day. The members can only devote so much time to government business. As I say, I do not have the answer.

Mr. Haggerty: I often feel the chairman does not do enough work as it is now in this area.

Mr. Archer: Is that right? He is gone, so—

Mr. Haggerty: We should put him to work, and he is gone.

Mr. Archer: The accountability process is very long. There are so many people in the process. To have the ultimate in accountability, I think, is impossible. We have to accept that because the chain is so lengthy there are going to be things that fall off between links. It comes right back to the fact that one of the basic problems is the way we finance things.

If the person who spent the money had the responsibility to go out and collect that money first, I think you would have much stronger accountability than under the system where a central body, like the Ontario government, collects the money and then feeds it back down through. Yet there are advantages to the centralized collection in that you get an equality of distribution of resources, which you would not get if each body went out and collected its own money.

You have to weigh advantages on one side against disadvantages on the other—the disadvantage being lesser accountability. It is not a perfect system and I do not think we will ever have one, but I think we can make it better than it is.

Mr. Chairman: Okay. Next on my list is Mr. Eakins, then Messrs. Philip and McKessock. Do you have anything Mr. Eakins?

Mr. Eakins: Mr. Chairman, a number of the areas I was interested in have pretty well been covered.

Do you still have an active student program?

Mr. Archer: Yes.

Mr. Eakins: Is it working out very well?

Mr. Archer: Yes; I am glad you asked that question. For example, we have students in all three of the recognized accounting bodies. We had eight people write the finals of the chartered accountant examination this year and seven of them passed. The national average is about 50 to 55 per cent so we felt we did very well this year.

Mr. Philip: Mr. Chairman, I apologize for being late. As my colleague has no doubt told you, because I asked him to last night, I had a speaking engagement at 9 o'clock. I had hoped to be here half an hour earlier than this but traffic was terrible today. I have, therefore, missed the opening statement by the auditor but I have some fairly specific questions I would like to ask.

I was discussing one of the problems yesterday with the Minister of Government Services (Mr. Ashe) and he is to respond to me tomorrow on it. In coming to grips with value for money, as the auditor are you in a position to say that while the tendering process was correct and while the Manual of Administration was technically followed, that perhaps the government or a particular ministry was being extravagant with the taxpayers' money in buying a Cadillac instead of a Ford?

The example I gave was a letter I had from a constituent who was very upset that, at a time when we have over 18,000 families on the waiting list for geared-to-income housing, she walked into the new Ministry of Municipal Affairs and Housing offices to find some very expensive office furniture and so forth. No one expects public servants to operate in rooms that are as tacky looking as the one we are in now, but they do not always have to have the Amethyst Room.

I am wondering whether you have ever commented on the fact that perhaps a \$2,000 board table is not necessary, that a \$1,000 board

table would have lasted as long and would have been as utilitarian.

Mr. Haggerty: Or a \$30 plywood sheet.

Mr. Philip: That is the opposite extreme.

Mr. Archer: We certainly have made comments in that regard, Mr. Philip. This past year, you will recall considerable coverage of the point in our audit report about one of the agencies. We commented on the boardroom chairs being a little bit luxurious. They spent something like \$760 each for some 22 chairs, when had they ordered through the government catalogue the highest price would have been something like \$500. They could have bought a reasonable chair for \$250.

We have commented on that type of thing and I would expect we would continue to do so.

11:20 a.m.

Mr. Philip: There is a surplus warehouse for government furniture and so forth. Have you examined the operation of that warehouse? Is it being used by government ministries sufficiently? Is unneeded furniture being recycled appropriately or are there ways of increasing the efficiency of one ministry reusing what another ministry no longer has use for?

Mr. Archer: We have reviewed the operation. Mr. Cruise, do you recall anything on that?

I know we have looked at that operation through the general government branch. I do not know whether we have done so from the standpoint of value for money. Can you comment on that at all?

Mr. Cruise: It has been quite a while. I was out there myself years ago. We have not done anything—

Mr. Stokes: Is that in Mimico?

Mr. Cruise: Yes. It is called the assets disposal branch. We used it for the administration of our own office. When we ordered some furniture for our own office recently, we followed the Ontario Manual of Administration and checked with the assets disposal branch as to whether they had furniture such as that which we could have, rather than buying some.

When we are buying any furniture, we check with them. That is a requirement of the manual. It is working all right. Actually we got some secondhand desks for our office that were in pretty good shape.

Mr. Archer: We paid \$65 a desk or something like that.

Mr. Cruise: No, we paid \$60 for transportation. The desks cost us nothing.

Mr. Archer: Nothing; it was just for the transportation.

Mr. Philip: It would cost any other ministry nothing as well; it is just the transportation.

Mr. Cruise: That is true if they were used last year, because they have been paid for already.

Mr. Philip: Have you examined the cost of storage of a lot of this equipment, and whether we are paying for equipment that will never be used by people; or have you examined the cost-benefit efficiency?

Obviously, if you are going to store furniture for a long period of time there is the question of the cost of the storage and whether the operation of the warehouse costs more than actually buying it or getting rid of it quickly.

I understand there is a method whereby that warehouse will give unused Ontario equipment to Commonwealth countries that are in need, but not to other countries that are not in the Commonwealth. I wonder what the cost benefit is of that.

It may well be that at some point you say that, if a piece of furniture does not move by a certain period of time, it should be given for foreign aid or should be disposed of in some way rather than simply holding on to it and occupying that kind of space and inventory.

Mr. Haggerty: I understand some of that is provided now to charitable organizations, if they request it.

Mr. Stokes: I have done it for Indian reserves. I did it for a Baptist church not long ago. It is put to good use wherever there is a need.

Mr. McKessock: Is there a cost to that?

Mr. Stokes: Very minimal; transportation.

Mr. Archer: It is just transportation to get it from its present location to its destination.

I do not think we have done the type of review you have just outlined, Mr. Philip. We certainly have not done that recently. That is the type of review we can well do under our new mandate and have done in other operations.

Mr. Philip: If it is not moving fast enough, I wonder if it might be worth while to expand the foreign aid aspect of it so it could be supplied to worthy countries where we are assured it is not going into the bureaucracy of some dictatorship, or something such as that, but will be used to help the people in some way. I realize these are judgement calls you have to make.

For example, I approached them with the fact that I have some constituents who were trying to supply beds and other types of equipment to a

hospital for sick children in Uruguay. They did not qualify for that.

It struck me as an awful waste if that equipment is simply sitting there, costing the taxpayers money to store it and we have an arbitrary regulation that says, "It only goes to Commonwealth countries." It may well be cheaper to move it faster than to store it. It might be interesting to look at.

Mr. Archer: Yes.

Mr. Philip: One thing I wanted to explore with you I think we have discussed before. I wonder whether you have done any more thinking about it.

When I look at the General Accounting Office in the United States, it seems to me the GAO is being used much more by committees other than the equivalent of our standing committee on public accounts. I do not see that happening to the same extent in this Legislature or in the House of Commons. Because of that, committees are making decisions without adequate auditing information on which to make reasonable decisions for the various ministries.

I am wondering whether you have thought through any of the comments I made before and whether there is any kind of move to perhaps make your services better known to the chairmen of other committees and make them available for the use of other committees, such as the standing committee on resources development, or this committee, for that matter, in which we are doing these present estimates.

Mr. Archer: I do not know just how we should go about publicizing this aspect, but certainly, although our act does not say so specifically, our office is prepared to respond to a resolution of any committee, not just the standing committee on public accounts. If some other committee of the Legislature wishes the Provincial Auditor to investigate something, we certainly will undertake that.

There has never been a request for us to do so. In fact, until last year there had never been a request, to my knowledge, that the Provincial Auditor appear before any committee of the Legislature other than the standing committee on public accounts. Last year we had a request to appear before the standing committee on social development in connection with a bill it was reviewing. We are certainly prepared to do that at any time.

Your point is that the committees of the Legislature are probably not aware that the Provincial Auditor is there and at their disposal. How we go about announcing that, I do not

know. We could make some statement, I suppose, in our annual report. Otherwise, we could make it known to the House leaders, I suppose.

Do you have any suggestions about how we could make this better known?

Mr. Philip: One suggestion would be that the committee chairmen could be informed that you would be willing to sit down with each committee, for even a morning session, to inform them of the services you can provide. You could also show the kinds of things that happen under the US congressional system, where a committee dealing with a particular topic will actually ask the GAO to do a study for it before carrying on further; then it has something concrete with which to deal with that topic.

We have had select committees on issues where it would have been very useful if you people had done studies leading up to those committees sitting. Instead, they often get outside consulting firms or other forms of consultants to do the very work that you people are best equipped to do and that you could supply as part of your general work here in the Legislature.

Mr. Archer: It is something we could do. Our office does resist responding to individual members' requests, whereas I think the GAO would even go that far.

We are willing to respond to a resolution of any committee. If we were to go more actively into that role and projects began to mount, it would mean an increase in our staff. However, I think we could adjust to that. I do not think the increase in requests would be all that numerous initially; it would be a gradual thing. I think we could adjust our staff accordingly.

Mr. Philip: When you say you do not respond to individual member's requests, in fact you do respond if someone comes to you with some evidence that there is something wrong.

11:30 a.m.

Mr. Archer: We do not respond officially in that we do not undertake a special assignment. For example, if we received some information from yourself about something you felt or heard was amiss, then the next time we were in that particular agency or ministry we would certainly check that out. However, we would not make a report back or anything of that nature. We would not drop everything to go out and look at it, right at that point.

Mr. Philip: We might suddenly find the next report you bring out deals with the topic.

Mr. Archer: Possibly, yes.

Mr. Philip: Indeed, that has happened on several occasions. Members have brought something up in the public accounts committee, not necessarily by motion, but simply by saying, "I have this point and I think it should be dealt with." Whether the committee decides to deal with it or not, you are tipped off and when you are in there the next year, something is reported.

Mr. Archer: Yes, we are in some ministries every year, the big ones, such as the Ministry of Health, for example. We might not be in others for two or three years.

Mr. Philip: In Mr. Dye's report in 1982, which I found interesting, he spends some time analysing training. For example, on page 253 of that report he says, "At the time of our audit, training needs were identified in an ad hoc way and were not related to the operational requirements of the organization." He goes on to make specific recommendations regarding training programs within, in this case the Ministry of Energy, Mines and Resources, but it could just as easily have been some other ministry.

I know on one occasion you dealt with the efficiency of training, whether it could have been done in a less lavish setting. On that occasion, I happened to disagree with you and agree with the ministry when it presented its evidence, which is an unusual occasion. In most instances you have been right, but in this case I happened to think you were wrong. Have you done audits on training within ministries? Do you find the training is done in an ad hoc fashion in some ministries, or is it part of a comprehensive management program?

Mr. Stokes: It might have been better if you had said you disagreed with him rather than that he was wrong.

Mr. Archer: Yes, I was laughing at that.

Mr. Philip: I said "I thought you were wrong," did I not?

Mr. Stokes: You said, "You were wrong."

Mr. Philip: On page 188 of your report you talked about, "attempting to review components of management of the process and assess whether managers are doing their job." Is training part of that assessment you are undertaking? Are you examining the training process within the various ministries?

Mr. Archer: Certainly the monitoring of staff performance involves the training aspect. Not on every audit necessarily, but certainly on many audits we will look at the training.

I think that observation Ken Dye made is a pretty general one. In fact, it is something of which we ourselves are very conscious. Training is a subject that is almost like motherhood. It seems any kind of training is better than nothing at all. That philosophy is fairly prevalent. In most areas you would find, to a certain degree at any rate, there is not really the planned approach to training you might like to see.

As I mentioned, even in our own shop, we are continually asking ourselves: "What is this training going to do for us? How are we going to tell afterwards whether we have had any benefit out of the training?" That is a very difficult area to address.

How do you assess, after the fact, whether you have got value for the training you have given? For example, if we are doing training in report writing, which is a very significant area in our office, how do we assess six months or a year afterwards whether the people who were on that course are actually writing or communicating better than they did before?

Up until recently we did not even ask those questions; we just assumed that if we put people on a communications course, they are automatically going to be able to communicate better. Now we are saying that maybe this does not necessarily follow and that maybe we should be trying to assess it. Maybe a year down the road we should compare the writings, for example, of a member of our staff who was on the course with the product he was producing before he went on the course to see if it is any better.

I think ministries are in the same boat. They are only now, because of the restraint program, accountability and value-for-money concepts that have come up in recent years, really beginning to ask themselves this question. Maybe training for training's sake is not enough any more; maybe we have to satisfy ourselves that there is some benefit in the training we are providing.

Mr. Philip: One of the problems I find in training is that it is not the trainers—the trainers are usually able to define what they want to do and are usually able to define the need—but often it is the management that gets in the way of the training.

I can recall many years ago designing two identical training programs using a few different words and having different prices. The only way to sell top management that they should take the program was to triple the fee for the program they were going to be on, use the PhDs instead of the

MAAs in the program and do a longer biography for the trainers.

They were getting a program identical to that of the people beneath them, but because of their status, because of their ego they would not take the same course their managers beneath them took. The way to do it was to triple the price and add a little bit glossier leaflet in order to ensure that they took the program at all.

Are you running into this kind of problem with management, which the trainers are constantly running into, when you go through your examination of the training programs in the public service?

Mr. Archer: I cannot say we recognize this problem that they have taken a course, say, for supervisors, just made some minor adjustments, increased the qualifications of the people giving the course and given it, say, to the director level at triple the price.

If that is happening, we certainly have not detected it. I do not know. Without taking a specific case and reviewing our working papers and so on I am not sure that our review would uncover this type of situation.

Mr. Philip: Another problem we used to run into is that managers frequently think the training is for everyone else but themselves. You can give the best training program and people come back with all of the new ideas, but they are all stopped by the supervisor above who has not taken the program and therefore you are wasting your money.

We used to say in many instances that unless the boss takes the course first, we are not going to accept the contract. A lot of people are a lot hungrier for the work and therefore they will accept the idea that, "We will do our best and train the middle-line managers."

Invariably all it means is a turnover in management, because you end up with a bunch of middle-line managers who are frustrated. Their boss does not understand the concepts they have come to realize and the people underneath them, who have also taken the program, perhaps recognize that their immediate boss wants to do things but cannot do them. So it is the middle-line manager who gets frustrated and says: "To hell with this. The moment there is an opening elsewhere, I am going to leave." He may not necessarily leave the public service; it may mean going to another ministry or getting out of there.

"My boss does not understand me" is what you often get in the training programs, or, "Gosh, if only my boss were here."

11:40 a.m.

Have you ever examined the phenomenon that unless you train from the top down, training often is actually a negative quality rather than a positive quality? Unless you train from the top down, it may actually create more problems in an organization than there were before.

Mr. Archer: I certainly agree with your general observation. I do not think, from an audit standpoint, that we would uncover that unless, in the course of our review, people who were disgruntled, the type you mentioned who have been on the course and cannot get their new ideas accepted, came to us and outlined the situation by saying, "I was on this course and these were good ideas that were conveyed to us, but I go to my boss and he wants to do it the old way."

In that particular case, we would probably follow through and make the recommendation you have. It is fruitless to send people on courses if the management of the area has not been on a similar course, or are at least of a mind that they are prepared to accept the changes in the staff who have been on the courses.

Mr. Philip: I think what I am trying to get at, with a fairly long leadup to it, is that often the criticisms of training are not the fault of the training or the personnel people but the fault of management, and unless you come to grips with that problem, any evaluations you do of the training process are not going to work.

The other problem, which also cannot be measured, is that training is not a mental health exercise. You cannot cure people in most training exercises. Unfortunately, certain employees who have problems that are more than just training problems are sent off to training groups, to labs, to various other kinds of things, the last places they should probably be. They should be in therapy groups.

I do not know how you measure that in the audit system either but it gives training a bad name. They say: "We sent John Henry off; he was an authoritarian manager and his people hated him. He came back and he is still a son of a bitch. You guys did not do your job properly."

I do not know how you identify that kind of thing, but training is often being given a black name by setting objectives that are unrealistic for a training setting. They are more realistic for a therapy setting.

Mr. Archer: During audits, we certainly have observed a tendency to send everyone on the course. For example, if it is a course for audit supervisors in our shop, we send every audit supervisor we have, whereas we know some of

them are not going to benefit from the course because they are set in their ways or have marginal competency to start with.

The other alternative is to pick the people to go on the course on a selective basis. There you run into having to explain to those who are not selected why they were not selected. While it is management's job to do it, I think management, in many cases, will opt for the easier course and send everyone. At least we will get the ones we want trained and we will avoid the problem of having to explain to the others why they did not go and having the rows and unrest that creates.

So there is that blanket approach to training and it does generate the type of comment you have mentioned, such as, "John Jones went on that course and it did not do him any good at all." We knew it would not before we sent him. It was pointless to send him, but we sent him anyway, so we cannot really fault the training program.

Mr. Philip: I wonder if I can talk a little bit about the Manual of Administration. It struck me as kind of unusual that Management Board would call on Price Waterhouse. I may be wrong, but I would think you people would have the expertise to do the very study Price Waterhouse has been commissioned to do for Management Board.

Have you had any input into the Price Waterhouse report on the operations of Management Board?

Mr. Archer: We have had input only from the standpoint that we have been visited by the consultants who are doing it, Price Waterhouse and the other firm involved. They have visited us already and I expect we will be in contact with them from time to time throughout their review.

They are visiting all deputy ministers and many ministers. I am sure they will be contacting many of the members of the House, including the opposition members. It is part of their process.

I do not think we have any significant amount of input to the process over and above what you, as a member, or a minister or a deputy minister would have. They are consulting us as one of the players in the game.

Mr. Philip: All of us know your criticisms of the operations of Management Board and the failure by certain ministries to adhere to the Manual of Administration.

In the light of all the recent problems we have had with the application of the Manual of Administration, have you examined that Manual of Administration and are there any specific things you feel it is necessary to change in the Manual of Administration to make government

operations more efficient, and also to give the flexibility some ministries say the present manual does not give them?

Mr. Archer: We have made recommendations to Management Board for changes or updating of sections of the manual. One specific area recently has been in the area of electronic data processing, control over EDP hardware and software, and the purchase and leasing of that type of equipment.

I think there are many sections in the manual that need to be updated. In view of all the coverage the subject has had in the last six to eight months, we have not made any recommendations. We are waiting to see what falls out of the system. Management Board is continually updating sections.

The sections I think need to be simplified are those dealing with the hiring of consultants. You have technical consultants, communications consultants, management consultants and all kinds of consultants. There seems to be a different set of rules for each, without a clear definition of what constitutes technical versus basic management consulting.

When we go out on audits, our biggest problem is to try to figure out what area of the manual a particular contract or assignment falls under. Many times it is a matter of our opinion versus the ministry's. We often come down on opposite sides of the fence. If we do not feel they are convincing enough, we will report that.

Situations such as that have got into our report. The ministry people have appeared before the public accounts committee and have stuck by their guns. They think it is in one type of consulting whereas we think it is something else. That whole area has to be clarified so people know what is expected of them and what is not.

I think the \$15,000 limit for requesting tenders is way out of date. That figure has been there for years. Just from inflation alone, it probably should be \$30,000 to \$40,000. A lot can be done to update and clarify the manual.

Mr. Philip: Have you at any time put down on paper, in one document we could lay our hands on, your impressions of the changes needed in the manual? That would be useful to Price Waterhouse, to Management Board and to the members of this committee.

It might well be that, after the Price Waterhouse study comes down, the public accounts committee will want to meet with you to look over that study and see whether we have some specific recommendations or amendments we

might want to make. It may be we will simply want to support what they say in the study.

11:50 p.m.

It is hard for us to come at it cold when it is reported, whereas with your help and your insights as background we might be in a better position to deal with that study when it comes down.

Mr. Archer: We have never made any attempt to review the manual in total and to make recommendations to Management Board for a total revision, updating or whatever, but over time we have made recommendations in specific areas.

As we are doing an audit, we will encounter a problem or clarification that is necessary and we will comment on it at that point. We could probably try to pull a lot of those specific instances together in a list.

Mr. Philip: I am not suggesting you do it for me personally, but that it could be done and sent to the public accounts committee. Some time could be scheduled to look at it.

Mr. Archer: It may well be that these consulting groups, when they get further into their projects, may come to us and ask us the question you have asked this morning.

Mr. Philip: If you have done it for us, you will have completed your homework. Think how surprised and happy they will be.

Mr. Archer: They have not at this stage. They are still in the more global areas.

Mr. Philip: I have one other question on that topic. Do you have recommendations concerning the continuation of contracts?

We had the Ministry of Agriculture and Food before us, for example. I must say I was impressed with them compared to other ministries that have come and had their hand in the cookie jar, so to speak, because they said: "What we did was wrong. We are sorry. We have corrected it." You have to give them credit for admitting their mistakes and showing they have corrected them.

On that whole issue of the continuation of contracts, do you have recommendations as to how the manual should be changed to deal with that?

Mr. Archer: In that specific area I think the manual is fairly clear: you should not enter into a contract arrangement that extends for more than three years. In other words, at least every three years you should retender the situation. In that case they neglected to do that.

I think the manual is all right in that instance. It was the application of the manual in the Ministry of Agriculture and Food that was at fault. I do not think that section of the manual needs to be revised.

Mr. Philip: There was a cabinet minister out west—he will remain anonymous; he is no longer a cabinet minister—who had the reputation of having short contracts that would suddenly be continued. People could lose the bid, because it is expensive to move X number of feet in short contracts, but they could become millionaires overnight if the contract was quadrupled.

That is the same kind of problem we are facing with the continuation of contracts. It is often fairly expensive to fulfil a short contract, whereas if the contract is tripled, be it hauling earth, running training programs or whatever, it becomes quite economic to do a much longer program because it is the makeup and the transportation, or the movement of the initial equipment, that is the major cost.

A problem we also have—and there have been cases of this in the United States—is that more and more the government would like to put certain restrictions on tendering. I wonder whether you build that in by a policy statement or is the Manual of Administration a way of handling it.

For example, there are certain jurisdictions that say contracts will go only to union workers. Usually the contract is it will go only to companies that pay union wages and that do not have more than one violation under the Labour Relations Act or under the Human Rights Code within a certain period of time.

Do you see that as something to build into the Manual of Administration as to the rules of contracting, or do you see that as simply a policy statement by the individual minister? What is the best approach, assuming the objective was to move in that direction?

Mr. Archer: If the desire is to buy locally or only to deal with union people and that type of thing, it would be best to come out as a government-wide policy rather than leaving it to individual ministers or deputies to decide on their own. That is my own view on that. If that were the case, the place to put it would be right up front in the Manual of Administration.

Mr. Philip: How does the auditor conduct the special program or activity reviews of Management Board of Cabinet? Perhaps that is too general a question for you.

For example, the auditor in his annual reports reviewed Management Board in 1980-81 and again in 1981-82. Could there have been a

follow-up done in the 1982-83 report? I did not see that.

Mr. Archer: I do not think we had anything in the 1982-83 report on Management Board.

Mr. Philip: Would it have been possible for the Provincial Auditor to have conducted a special review similar to that which Price Waterhouse was hired to do, or do you see the kinds of studies that you did in 1980-81 as being more within the direction you are capable of handling?

Mr. Archer: What we did was an audit. What Price Waterhouse is doing is a consulting assignment. We try to go in and assess the situation against a standard, whether it is what should be done per the manual or whatever. Price Waterhouse is looking at the situation and making recommendations relative to what other governments are doing or what private enterprise is doing as to whether the "let the manager manage" philosophy, the decentralized approach that Ontario is following, is viable in today's environment. That goes beyond the role that is expected of the Provincial Auditor.

Mr. Philip: That would not be beyond the role of what the Government Accounting Office would do.

Mr. Archer: From my understanding of what the GAO does, I agree. There does not seem to be any limit to what they are asked to do and what they attempt to do.

Mr. Philip: Has the Provincial Auditor or indeed the federal Auditor General at any time ever conducted a study similar to what you understand the Price Waterhouse study to be?

Mr. Archer: Not to my knowledge. The auditor works for the Legislature, and this study is being done for the government. In theory, the government could have come to ask our office to do that study for it, in which case we would have declined for various reasons. First, I do not think we have the capabilities to do it. Second, we certainly do not have the resources.

In theory, they could have come. Under our act, we can accept requests for assignments from government ministers, in fact.

Mr. Philip: You have done that. You did one for the Minister of Community and Social Services (Mr. Drea) recently.

Mr. Archer: We have done a couple for the Ministry of Education; right. We do not have to do it; we can decline. In this particular hypothetical situation, had they come to us, we would have declined.

Mr. Philip: My concern—and you and I have discussed this before—is that the function of the auditor should be expanded to take on some of the powers that the GAO currently has, because that would be in the interests of the taxpayers and indeed in the interests of the Legislature.

What I hear you saying is that you do not have the staff. But in fact you could be provided with the staff to take on powers and to expand your mandate.

Mr. Archer: Yes.

Mr. Philip: You would have been capable, with additional staff, of dealing with the kind of thing that Price Waterhouse is doing.

Mr. Archer: Yes, with additional staff or by going out and hiring the staff. We could have hired Price Waterhouse ourselves. In other words, the government could have asked us to do it and we could have gone to Price Waterhouse and said: “We have been asked to do this assignment. Would you supply us with the necessary resources?”

12 noon

Mr. Philip: I realize I have taken quite a bit of time, but there is just one other area I want to go through; that is the area of subcontracting, which is becoming of deep concern to me. I see that the objectives are not necessarily leading to efficiency. The most blatant cases are that sometimes the tendering process, perhaps inadvertently, is a way of union-busting.

The charge I have made is that the federal government is doing that with the security services at the airport. If Burns becomes unionized, and if it is in its interest to lose the contract the following year by making a high bid, whether that is or is not created by the increases in salaries, it is free of the union at the airport and can bid the following year and go in with a nonunionized staff.

There is an increasing amount of contracting out. I wonder whether you have done any efficiency studies on that—it is also a political problem, but I mean just in terms of sheer efficiency.

Studies in the United States indicate contracting out in hospitals or the privatization of hospitals does not provide any revenue benefits to the public in the long term. It is more expensive to privatize the hospitals, yet we see this government moving in that direction in eastern Ontario at the moment.

Have you done any studies on the contracting-out process? Do you see it as part of your ongoing

mandate to look at the benefits or lack of benefits of a contracting-out system?

Mr. Archer: Do you mean from the standpoint of requesting tenders from union versus nonunion firms?

Mr. Philip: No. I am thinking more of contracting out rather than having government employees handle the thing. A recent example is the contracting out of a whole hospital in eastern Ontario. In the United States it has been shown that the private hospitals may cost less in the short term, but end up with reduced service and cost more in the long term.

Mr. Archer: We have not looked at that situation, but if we were to do that all we would do is look at the management process that went into it. How did management or the ministry decide that it was a better course to contract out than to use its own personnel? We would look at the justification they used to make that decision and we would satisfy ourselves in our minds as to whether it was a reasonable decision in the circumstances. We would report accordingly.

Mr. Philip: Are you saying you would not go the route the General Accounting Office would go? The GAO would say: “There were two routes to follow, one of privatization or contracting out and the other of using your own staff. In this instance the projected costs in five years’ time will be more. Therefore, you are not meeting your objective of saving taxpayers’ money. You are wasting money.” Would the auditor go that far in that direction?

Mr. Archer: He would look at the justification for the action on more than an immediate or one-year basis. He would want to ask: “That may be fine for this year, but what about four or five years down the road? Is the benefit you see now going to apply then as well?” We would look at it as a long-term situation.

I am not sure whether I am answering your question, but I do not see us going much beyond that. We just go and look at the management process in any particular situation from a reasonable point of view to see whether what they did was a reasonable course of action in the light of the evidence and the circumstances at that time.

Mr. Philip: You would not review the literature and say, “When there was a similar circumstance in Iowa, after 10 years a cost-benefit analysis showed that it actually cost the taxpayers of Iowa more to go this route than to keep things as they were or to take route C perhaps, which is a middle or third route”?

Mr. Archer: No, because they would have evidence, hopefully, from some other state or whatever which showed that in their particular case it was a benefit. In other words, we would look at the evidence they had to justify what they did to see if it was reasonable. What you are saying is suppose they suppressed all the negative evidence and brought forward all the positive. We might ask some questions, such as "What about Iowa?" or "What about California?" and "What are their experiences?"

Mr. Philip: Okay. So you would start off with the initial objectives and say they had not reviewed all of the literature, because their objectives were founded on reasons which did not stand up in the light of all the literature.

Mr. Archer: Right.

Mr. Philip: Then you would go as far as the General Accounting Office went on the study of merit pay.

Mr. Archer: Possibly.

Mr. Philip: The evidence shows us overwhelmingly that this technique does not seem to achieve its objectives.

Mr. Archer: Maybe I could just give one example which I think serves to illustrate how far we go versus how far the GAO will go, and how far the Auditor General of Canada has gone.

If you recall, three or four years ago the Auditor General of Canada did a study of a certain segment of the Canadian civil service. It came up with the observation that a particular segment of the service was only something like 65 per cent efficient.

In that particular situation, what happened is this. They went in and looked to see what measures the department of a ministry had to assess the efficiency of their civil servants. They had measures. However, the Auditor General of Canada did not feel those measures were adequate. What they did was a time and motion study. They assessed a situation and came up with their own measures of what they thought were indicative of good, efficient performance. They then took the actual results and compared these against their own measures, rather than against the measures the department of the ministry was using.

In that same situation, we would have gone in and asked, "How do you know your people are working efficiently?" They would say: "These are the measures we have developed. We compare actual performance against those." We would look at those measures and say: "They just

do not make sense. These are not reasonable measures to use."

We would stop there. We would just report the department had a system, but we did not think the system was adequate. We would not have gone that additional step and developed measures of our own which we thought would be more appropriate and then gone on and assessed the actual performance against that.

This is the best distinction I can make between the approach we take versus what the GAO and the Auditor General of Canada have in the past taken.

Mr. Philip: Maybe this is an unfair question, but it is the last question so I will leave it with you.

Say you are looking at models, and you have the GAO as being the auditor who has the most power and the most flexibility in evaluations. What I hear you saying is that the Auditor General of Canada has gone further than the Provincial Auditor has in that direction.

Mr. Archer: I think he is pulling back, but he has gone further in the past, yes.

Mr. Philip: Are there other provincial jurisdictions which you feel may be closer along the line to the federal or the GAO than this provincial jurisdiction?

Mr. Archer: Not at the moment. Two or three years ago, I would say there were. Our earlier discussion today was comprehensive auditing. We are moving more and more into comprehensive auditing. The other offices that tried that found it was extremely costly and very time-consuming and really impractical. They have pulled back.

12:10 p.m.

I would say that the ones that have a mandate are all in this middle ground, the value-for-money, reviewing-the-management-process aspect of the broad-scope auditing and not the comprehensive auditing which involves the expertise, bringing in time and motion study experts or whatever else you have to bring in if you are looking at the efficiency of civil servants.

That was what the Auditor General used to do. I think the General Accounting Office would have done the same thing with that particular assignment.

I sense that even at the Auditor General's office level they are retrenching a little. This exercise is too costly and time-consuming. The results really are not good because they are finding now, as they go back into these ministries for the second time around, that nothing has

changed, despite the fact that they had this extensive review five years ago, which showed A, B and C should be corrected. So what is the point?

I think there is a middle ground here that they are all striving to reach. At this year's legislative auditors' conference on comprehensive auditing, for example, one of the subjects we will be discussing is, "Where are we and where are we going?" We are still feeling our way and still grappling. I think we are going to come down in a middle-ground area and not the full concept that the foundation has been promoting and which the GAO and to some extent the Auditor General are following.

Mr. Chairman: Thank you, Mr. Philip; Mr. McKessock has a question, too.

I wonder if I could get agreement that we could maybe wrap up these estimates today so we will not have to meet next Wednesday. Would that be agreed?

Agreed.

Mr. Philip: How much more time did we have?

Mr. Chairman: We had another morning next week. It is my understanding that they have increased the hours next week, and we do not need them.

Mr. McKessock: On the topic of comprehensive auditing: you were saying that you went back in the next year and found nothing had changed?

Mr. Archer: Maybe I should just qualify that. These are rumours one hears. They have been at this for five or six years now. They were on a cyclical basis. I guess some of the ministries are coming up for a second go-around.

Mr. McKessock: This is federal?

Mr. Archer: Yes.

Mr. McKessock: But one would think that if the changes had not been made, they could be a lot harder the second time.

Mr. Archer: Oh yes, sure.

Mr. McKessock: The question is: why were these changes not made? If they were right the first time, they are probably more right the second time and the changes should be made.

Mr. Archer: That is right. It could make for an impact finding in the auditor's report, and maybe an appearance before the public accounts committee again and possibly force some action.

I still think that the time it takes to do these reviews—two or three years—is not unusual at the

start for a comprehensive audit of a given department.

Mr. McKessock: It might have a good impact—even if it were an ongoing process, even if it took a long time to get over every ministry—on ministries that bear watching.

I tend to feel—everyone out on the street seems to feel—there are far too many civil servants. Some of them are not pulling their weight. You hear people say, "You cannot fire anyone these days," whether it is within government, the board of education or wherever. The people in authority seem to take that position. I do not agree that you cannot fire anyone, but it is difficult to fire people.

Mr. Archer: It is difficult, yes.

Mr. McKessock: So I think that maybe internal audits, such as you describe, might help in that regard.

Mr. Archer: For pointing out inefficiency of the use of staff, for example?

Mr. McKessock: Such as you were just talking about—time study or whatever.

Mr. Archer: You think the auditor should be doing this?

Mr. McKessock: You mentioned bringing in time study.

Mr. Archer: This is the type of expertise I think you would need in that particular instance, but we, as an office, would not necessarily have that type of person on staff.

Mr. Kessock: Maybe this is an area that should be looked at. I do not know just how you time-study someone in the office, but I have worked in a factory and have been time studied—

Mr. Archer: That is management's job. Maybe that should be done, but that is not for the auditor to do. Management should be doing that. The auditor should go in and ask, "How do you know your people are giving you a good day's work?" The manager should say: "This is how I know. This is what I do. This is the information I get. This is the observation I have made."

Maybe part of that would be to have someone come in and do a time and motion study. I do not know. I am suggesting that might be one of the methods he uses.

Mr. McKessock: It may be the manager's job, but I am questioning whether the managers are doing this.

Mr. Archer: If they are not doing it, I think it is the auditor's job to report to the Legislature that they are making no effort to determine whether or not they are getting an honest day's

work from these people. That, I think, is the auditor's job.

I do not think it is the auditor's job to go in and assess just how much of a day's work employees are doing, whether it is two thirds or 75 per cent or whatever. That is a manager's job. He might need a management consultant to come in and tell him. This is a fine line I see between the audit and the management function.

Mr. McKessock: On the crown agencies, do you do an audit on all of these every year?

Mr. Archer: The ones in the briefing book, yes.

Mr. McKessock: Are they reported in each annual report?

Mr. Archer: We write a report on every audit. Sometimes the report will say we found everything fine. It will be a very short report. We do not put all of our reports in our annual report.

Mr. McKessock: That is what I mean. May we as members of the Legislature request a report? If I went to you and said, "I would like to get your audit report on the Crop Insurance Commission of Ontario for last year," may I get that?

Mr. Archer: This is a question Mr. Philip raised last year in estimates. As things stand now, in order for one of our individual reports to become a public document it would take a motion of a committee. Generally speaking, it would be the standing committee on public accounts.

If they passed a motion saying, "Table your full report on the Crop Insurance Commission of Ontario for 1982-83," we would do it, but we would not respond to an individual member asking us for a copy of the report.

It is sort of a semi-public document, I guess.

Mr. McKessock: It would have to be a motion through the standing committee on public accounts?

Mr. Archer: Right.

Mr. McKessock: Is that your salary that is pointed out here separately, \$72,800?

Mr. Archer: Yes.

Mr. McKessock: Why is it separate from the other salaries? Why is it listed separately?

Mr. Archer: The level of pay is stipulated right in the Audit Act. Have we got the Audit Act? What is the salary provision?

In subsection 5(3) it says, "The salary of the auditor shall be charged to and paid out of the consolidated revenue fund." That is right in our act. Therefore, it is considered, because it is

stipulated right in the act, that it is a statutory appropriation.

Mr. McKessock: That is why you list it separately?

Mr. Archer: Yes.

Mr. McKessock: In the estimate briefing book, I notice under summary of staff positions in appendix H the 1984-85 salary range for the Provincial Auditor is from \$63,971 to \$81,011. Then there is a note at the bottom of the page saying, "The salary ranges used for 1984-85 estimates purposes are the actual salary ranges in effect at October 31, 1983."

Where do they get the \$81,011 figure if your salary, as the top man, is \$72,000? Where does the \$81,011 figure come from?

Mr. Archer: That is the upper range. I am in a deputy minister's salary classification in the Ontario government. The range on deputy minister's salaries is \$63,000 to \$81,000. At this point, I happen to be about in the middle of that range. Should the Board of Internal Economy get generous, and it be permitted to under the restraint program, they could increase me to \$81,000.

Mr. McKessock: I guess it would not be fair to ask you if you thought your salary was too high. I have a feeling it is a bit of a problem with salaries in the upper ministries or in the upper class in the private sector. Of course, being a farmer and coming from a farm community, to me—and to those people back home—these salaries look terribly large.

It was just mentioned lately in the United States that they were talking about the high salaries of Chrysler or General Motors management. The government was actually considering cutting off import controls next year because of the large amount of money the companies were able to give their management. It is having a detrimental effect in a lot of ways.

12:20 p.m.

Really, they were saying, "If you can afford to pay that much to your manager, you can afford competition from other countries," which was really putting the salary of the top guy in quite a limelight as to how it could affect—

Mr. Archer: You are talking hundreds of thousands of dollars.

Mr. McKessock: I know we are. Let us come down to salaries on a little lower scale, but still at a high level, such as your own and the deputy ministers' or the ministers'.

I would like to ask if you think the salaries are a bit too high, especially in this time of restraint,

and the effect that it has on the economy and the thinking of the ordinary people out there who get by on a very much smaller income. Food costs us all the same; really, our living costs are pretty much the same.

Mr. Archer: From the general approach, I can see your point of view, but I think you have to get down to the specifics. You have to pay what the market demands in order to keep people. We were talking earlier about salaries of our staff. We think that up through the audit manager level, if you are looking at that chart, which is up to \$49,000, we can compete with private industry and with public accounting firms. Once you get beyond that point to the more senior positions in our office, the directors and the assistant and myself, you get out of whack, because for partners of public accounting firms \$100,000 is not unusual at all.

The same thing applies to deputy ministers. If you are going to get capable people to run this government at the deputy minister level, you have to pay them some money. These types of people can get far more money outside and there is a continual turnover in deputies because of that. They come here for a while, I guess to find out what government is all about and get some experience to help their background but, if money is their sole objective, they can do better outside.

Mr. McKessock: I guess what I am saying is that there is too much emphasis, in my estimation, put on money. It used to be that someone wanted a particular job because that was his line of interest. He was going to do that job and it created enough interest for him for the money to be really secondary.

I know this has changed and certainly people want to go where the money is. I guess it would probably take laws now to change that, to say you cannot have an income over so much, and this may have to be done in the private sector.

Mr. Archer: The tax law helps because, when you get up into the range that you are talking about, 50 to 55 per cent of any increase you would get would go to the government anyway. So the higher you get the more important become the challenge of the job and the environment you are in—certainly more important than the actual dollars. That is true in government, that is true with myself.

Mr. McKessock: There is one other area I wanted to mention—consolidated revenue. I think you were talking a bit with Mr. Haggerty on whether each ministry should collect its own

taxes so that it would have more accountability and so forth for spending.

I am thinking of the agricultural area, the tile drainage fund. This money, over the last number of years, has been loaned out to the farmers and they are paying it back. Now the money coming back from these payments goes into the general revenue and each year the government makes a contribution towards tile drainage but it is less than what is coming back from the farmers.

The fund is self-supporting right now. If it were just left alone the money that came in could go back to the farmers for reinvestment.

Mr. Archer: The receipts are exceeding the disbursements, I guess.

Mr. McKessock: Yes, and this is why I kind of criticize consolidated revenue for taking everything and doling it out again, because here is something that is really set up and would be better off standing on its own feet and the farmers would be better off.

Mr. Archer: More is coming in than is going back out.

Mr. McKessock: Another area in that same line would be under the Ministry of Natural Resources, where the fishermen for years have been calling for a fishing licence on which the money that came in from the fishing licence could be put out for restocking; but the government will not agree to that. They say, "No, if we put out a fishing licence it is going to go into consolidated revenue and then the Minister of Natural Resources has to say how much he is going to take out of the budget for restocking."

That kind of takes away the incentive of the ordinary person for paying the licence fee. If he knows the money from the fee is going back to restock the fish he is drawing out, he is quite happy to pay the fee. In fact, he probably would be quite happy to increase that fee each year so that he knows adequate restocking would be done. But the system does not allow that type of feeling within the individual.

Mr. Archer: That is true, but I think your point would be best brought up in the Legislature or during the budget debate or whatever. This is a government policy, and it is certainly not peculiar to this government. This, generally speaking, is the way the government operates. All moneys go into a pool and then from that pool they pay for the programs the government sponsors.

What you are suggesting is a whole lot of little pools. The additional administration of those is a cost you would have to keep in mind.

Mr. McKessock: I am not sure whether or not it would be additional administration.

Mr. Archer: I can see your point, but I do not know if I can really comment on that.

Mr. Chairman: Okay. Thank you very much, Bob. Mr. Philip, you have just a minute.

Mr. Philip: Mr. Chairman, this will be the last set of the auditor's estimates in which we will have the presence of the person who has done an awful lot in helping develop theory on public accounting.

I know that a lot of good things have already been said in this committee about Dr. White. However, since he will be moving on elsewhere, I am sure those of us who are active on the public accounts committee and on public accounts matters are going to greatly miss him.

We hope he will be continuing his interests. I know he is going to be doing university research on some of these areas and we will be seeing him at the public accounts conventions and reading his papers, where perhaps he can be even more vocal and freer in his theories and criticisms of what we in the public accounts committee, and perhaps the auditor, are doing.

I would just like to say how much I have appreciated his theories, his ideas, his assistance and his friendship over the years, and I hope we will be seeing him at various public accounts committees and at conventions in years to come.

Mr. Chairman: Thank you.

Mr. Piché: Mr. Chairman, I would also like to add my voice to what was just mentioned as far as Graham White is concerned.

Most of us have indicated already that we will be writing him, telling him how we appreciated his support and the work that he has done for members of the different committees. I sit on two

different committees, the select committee on the Ombudsman and this one, and the work that Dr. White has done was tremendous and we certainly appreciate that.

As I mentioned, the indication I have already given is that most of us will be writing letters of appreciation. He can treasure those along with the minutes of these particular meetings.

Mr. Philip: Either that or put a notice on his dart board, one or the other.

Mr. Piché: My congratulations or felicitations, if you want to put it this way, on your new job, and the best of luck from all of us.

Mr. Chairman: Thank you.

Mr. Hennessy: I would just like to add to what Rene and the NDP member have said in wishing Graham the very best. He has always been very capable, very obliging and very much appreciated.

Mr. Chairman: Thank you.

Mr. McKessock: I would just like to add the same comments to that. We have said the same before when you were not here, Graham.

Mr. Chairman: This is going to go to his head pretty soon.

Mr. McKessock: I would like to say we appreciate everything you have done.

Mr. Philip: Are we going to carry the vote?

Mr. Chairman: Thank you. We shall vote on item 1201 in its entirety.

Vote 1201 agreed to.

Mr. Chairman: This completes consideration of the estimates of the Office of the Provincial Auditor.

The committee adjourned at 12:30 p.m.

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Official Report of Debates

Legislative Assembly of Ontario

Standing Committee on General Government
Estimates, Ministry of Agriculture and Food



Fourth Session, 32nd Parliament
Wednesday, October 31, 1984
Morning Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, October 31, 1984

The committee met at 10:07 a.m. in committee room 1.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD

Mr. Chairman: I presume that the minister has an opening statement, and that the critics of the other two parties probably have statements they want to make, too. There may be certain sections of the estimates that members of the committee would like to deal with on certain days in order for the ministry to have certain people here.

Hon. Mr. Timbrell: That would be very helpful, Mr. Chairman. I do have a statement to make this morning, then there will be presentations by the three assistant deputy ministers.

If there could be some indication of the subject areas as we move through the estimates, we could be sure to have the staff here, rather than having them all here every day, which keeps them away from their office duties.

Mr. Swart: I would suggest that after we complete the opening statements, we set up a schedule so the staff members know when they should be here, and also so that we can divide up the time in the areas of interest.

Hon. Mr. Timbrell: That is fine with me.

Mr. Chairman: Is that agreeable to the Liberal Party? Thank you. Minister, would you like to proceed?

Hon. Mr. Timbrell: May I first of all—

Mr. Swart: Do you have copies of your statement?

Hon. Mr. Timbrell: I was just going to come to that. There were changes made right up to last night, so they are being printed this morning. You will have them by 2 p.m. They are being printed in our shop now.

However, the clerk of the committee and I have copies of a sheet of the wrapup with respect to the estimates presentation which was given to you ahead of time. It covers minor items such as figures, numbers knocked off, and that sort of thing.

The Ontario Ministry of Agriculture and Food is a unique institution with a very long and very proud history. However, the demands of its client group, the economic climate in which it

operates and the impact of rapid changes in technology mean that being right up to date is not good enough. We must be several steps ahead of fast-breaking developments.

After all, we are responsible for an industry that ranges from running the family farm to making deals in the global marketplace. We have a large and comprehensive mandate incorporating research, education, a varied spectrum of support programs, regulatory functions, marketing and field services.

While I am thinking of it, I would like to introduce our deputy minister, Dr. Clayton Switzer. These are his first estimates. When Mr. Newman met him a few minutes ago, he looked at him and said he was like a football player. That is probably a good analogy because he is the centre on our line in the ministry. I guess I am the quarterback and if he falls down in front of me, I am in trouble. I depend on him very much and I have been delighted to have him with us in the ministry since January 1 this year.

The precursors of the ministry itself date back well over 100 years. Our extension service is nearly 80 years old and has served as a model for similar services in quite a few other jurisdictions.

In no other ministry of this government, certainly none in which I have been privileged to serve over the last 11 years, is there the same sense of proprietorship. I often get calls from people around the province who say, when the receptionist answers the phone, that they want to speak to their minister. Yet we have to balance this close, personal and almost one-to-one relationship to those in our agriculture and food industry with the need and the obligation to serve the best interests of the public at large.

The activities of my ministry touch the lives of literally everyone in this province. It is a common saying; "If you eat, you are involved in agriculture." It is none the less true.

While I have stressed the unique position my ministry is in regarding the industry it serves, I would not want to leave the impression that we are the sole source of government support for it or for the people of our rural communities. Transfers to local municipalities, school boards, social services, as well as direct subsidies, are all part of the government's total commitment to rural Ontario.

In order to truly present a full picture of my ministry's initiatives and activities, I would like first to set out the broad economic context in which we find ourselves.

The agriculture and food industry, and the rural economy which it fuels, have been slow to recover from the recessionary period of 1981-82. Realized net farm income improved 10 per cent in 1983 and is expected to rise by a further 11.7 per cent in 1984. This can be somewhat misleading, however. The overall rise obscures the fact that certain sectors are facing difficulties; for example, with current grain prices or red meat production.

My ministry has moved to bolster these important components of the industry through increased financial protection, income support and direct assistance to improve productivity and competitiveness.

At the conclusion of my remarks and with the permission of the members of this committee, I will be calling on my three assistant deputy ministers to make more detailed presentations on their respective areas of service to the agrifood industry.

Clare Rennie is the assistant deputy minister of technology and field services. His area of involvement includes the ministry's extension service through its network of 54 county and district field offices offering direct advice and assistance to food producers.

This group provides the information and guidance that have helped them make productivity gains that are the envy of other industrial sectors and of agriculture in many parts of the world. In addition, in response to the increasing complexity of farm finances, they are augmenting their traditional role by acting as financial counsellors and placing more emphasis on money management on the farm.

The quality of rural life is another area we will be exploring in more detail a little later and one in which Dr. Rennie's staff plays an important support role.

Technology and field services also concentrate on the development of new strains of crops and methods of animal husbandry. These contribute greatly to an improved competitive position and increased efficiency for all our farmers. Our field services also include production experts in the plant and animal industries and the support of diagnostic laboratories.

Marketing development is the purview of assistant deputy minister Bill Doyle. His people are dedicated to marketing Ontario's agriculture and food products both at home and abroad. They

also provide support for the food processing industry.

Protection and development of our agricultural land base is also part of this group's responsibility, as is the realm of regulation, inspection and quality assurance of food products such as fruit, vegetables, livestock and dairy products.

The third unit is the newly organized finance and administration wing of the ministry. Roland Sewell, who is very well known to the members of this committee, I am sure, is currently serving as acting assistant deputy minister, and he is here today to explain his group's role.

Finance and administration aims towards reducing risk factors and income fluctuations, for too long a part of agricultural production, as well as assisting agricultural producers to adjust to changing market conditions and helping beginning farmers establish themselves.

This group's activities also encompass the ministry's administration: budget development, accountability for expenditures, and support services such as personnel and internal audit. You will be hearing from these three gentlemen at a later stage in the presentation on the specifics of how they accomplish their goals and objectives. Before we hear from them, however, I would like to step back and look at the context in which we carry out our policies and programs.

Agriculture and food and the related industries are a major component of the economy of Ontario. Our second-highest earner of export dollars after cars and car parts, this vital sector contributes approximately \$12.6 billion a year to the provincial economy.

When it comes to agriculture and food, we are, in fact, a major player in all aspects of economic activity on a national and a global stage. That is what might be called the good news. The bad news is that we are not out there alone.

The export sales we make, the production efficiencies we realize, all these take place against a backdrop of an interdependent global marketplace. Just as we do business halfway around the world, so can we also be affected by events very far from home. Our major trading partner to the south, for instance, is enjoying an economic recovery that is only felt to a lesser and somewhat sporadic degree in other parts of the world.

In most countries, high unemployment and high real interest rates continue to pose barriers to economic growth. The global recovery has been led by the United States, where it started in 1982, and this growth has caused America's imports to outstrip her exports by about \$120 billion.

This generally has been good news for Canada and for Ontario, since the lower dollar here has made our goods cheaper and therefore more attractive in the United States. This is, as you all know, a two-edged sword.

Ontario is benefiting from an improved price position vis-à-vis American competition. At the same time, the Canadian dollar is strengthening against other world currencies. This, then, drives up the prices of our goods to our other customers, and causes a slowdown in export prospects elsewhere in the world.

For 1985, there could be an economic slowdown in the United States. This would then put a damper on demand for the products that this country and this province export into that market. Quite frankly, the picture is somewhat uncertain.

Of course, much of the uncertainty one sees when trying to predict the performance of the United States agricultural sector is due to the looming American elections which will be held in six days' time. This will, regardless of who wins, lead to a new US farm bill in 1985, which we may want to discuss at some point during the course of these estimates.

We had a very good meeting about two weeks ago with Representative de la Garza, the chairman of the standing agricultural committee of the United States House of Representatives. He gave us some interesting insights into what that farm bill may entail.

It stands to reason—given the radical changes in economic and other conditions since 1981, when the last such document was developed—that the version for the mid-1980s will put trade and promotion of US exports at the top of the list. Fiscal restraint could, and likely will, be a significant factor as well.

10:20 a.m.

Another important customer for Ontario's agricultural products is, of course, Europe. There, the European Economic Community continues to suffer severe financial stresses and strains.

Earlier this year, there was an agreement among its members to revamp the common agricultural policy and to once and for all put it on a sound economic basis. This involved important policy changes: reducing subsidies if production exceeds a reasonable level; imposing quotas on milk production; removing compensatory measures to offset currency fluctuations, and adopting more realistic, and therefore lower, guaranteed prices.

Despite this, conditions do not bode well for a quick turnaround. The European Economic

Community is still facing a very large agricultural budget deficit. It may incur even higher expenses trying to dispose of mammoth stockpiles of wine and dairy products. Certainly disposing of these could and likely would have severe implications for Canada, particularly for Ontario.

At some point in the next year or two it is entirely likely that either or both Spain and Portugal will be joining the EEC, and problems which are already straining their relationships and causing them severe financial problems are going to be compounded greatly.

On the national front in Canada, the major change is a slowdown in real growth anticipated for next year—down to a rate of 2.5 per cent in 1985 from the 4.4 per cent projected for this year.

Unemployment is expected to remain high, at around 11 per cent. Coupled with current or slightly higher interest rate levels, this could mean a slackening of consumer demand.

Generally speaking, the whole market will remain rather flat, as it has been for the last two years. The real potential for expanded sales will be in the export field, and that is the area on which our ministry is concentrating more and more.

Of course, following the recent election, sweeping policy changes at the national level are not only likely, they have already begun. I have had several meetings with the new federal Minister of Agriculture, the Honourable John Wise, and I am very confident that we are establishing a new climate for much-improved federal-provincial co-operation.

Certainly that election campaign itself presented an opportunity to put before the people a set of goals that can now become government policy. These established priorities for Canadian agriculture such as: preservation of the family farm and its expansion and diversification; intensification of research and development programs; and dedication to the goal of fairness—fair prices to consumers but also fair returns to producers.

I anticipate working with my federal counterpart to address these pressing concerns. Moreover, there are a number of issues on which Ontario has been actively seeking federal government support and co-operation for some time which must now be viewed as being much closer to realization.

I am sure you know the issues of which I speak: tripartite stabilization; long-term agricultural credit; and reform of the federal Income Tax Act, to name just a few major points.

In addition to the realities of the international marketplace and relations between the federal government and the provinces, there is one area of industrial and social development where change is ever-present. Naturally, that is the rapidly unfolding world of high technology.

The enormous changes this has brought to our society and to us as its citizens have been going on for some time. However, the pace at which it takes place continues to accelerate almost exponentially. Certainly agriculture has felt the effects to a greater degree than most people would imagine. There is hardly an aspect of the agrifood industry that has not been touched by technological change.

For example, it is estimated that computer use on the farm will escalate dramatically in the next few years. Indeed, in just a few short years we have taken the first tentative steps that saw them introduced to keep records or to monitor temperatures in animal buildings. Now these electronic hired hands are identifying individual animals and feeding them according to where they are in their individual production cycles. Computers are also being used for modelling—casting projections of the results of decisions being contemplated. Virtually overnight we have moved light years away from playing hunches or tossing the coin to make up our minds.

The growing importance of computers has been anticipated by our ministry. We have already implemented a program of computer training for young people in our colleges of agricultural technology, as well as reaching even younger groups through computer clubs in the 4-H network. Neither is the processing side of the industry immune from these influences, as robotics and ever more mechanized production methods make inroads in these areas.

The retail sector too, has accommodated this rush of technology. Laser scanners in supermarket checkout counters are now, of course, quite commonplace.

Based on the United States experience, the next wave may well be automated teller machines connected to retail food operations. Instead of paper money or cheques changing hands, these would allow the amount of the purchases to be automatically deducted from the customer's bank account. The implications of this move are far-reaching, potentially affecting all aspects of our society.

Time does not permit me even to begin to discuss the possibilities offered when biology meets electronics. The impacts and challenges of biotechnology are truly astounding. What would

have sounded like science fiction not very long ago is becoming everyday, and the scope of future developments in these areas is staggering. Small wonder that we, as a ministry, have had to change as well.

In some cases, this has meant altering our organizational structure. In others, it has resulted in new or amended programs shaped to meet emerging needs. We have had to adapt to new markets and new technological environments—in many cases, almost overnight.

Fluctuations in commodity prices, downward trends in asset values and volatile input prices, notably credit, have led to adaptive policies that respond to the new demands of the ministry's client groups.

Throughout the program details that you will hear today runs a common thread. In a reflection of the times in which we take these actions, the emphasis is on fiscal responsibility and financial restraint. We have a responsibility to our taxpayers to use their funds wisely, to get the most out of each and every dollar we spend on their behalf.

Of course, in a perfect world, we would be able to afford to do anything that anyone suggested. However, in the real world, we must balance costs and benefits, and devise the most efficient programs for the industry. We must remain competitive against a backdrop of subsidy and financial support offered to producers in other countries. Ministry programs to support this competitiveness must be modestly financed but fully effective.

We must concentrate not on production subsidies but on other initiatives that translate into more efficient and cost-effective practices—focusing our attention on improved production, credit mechanisms, new technology development and adaptation, financial management and the upgrading of the skills of the people involved.

In recent times, my ministry has shown itself capable of precise and appropriate response to changing times and conditions. There are many examples of this.

We completed a major reorganization of the ministry in 1982. We introduced the Ontario farm adjustment assistance program and the red meat plan. We have been instrumental in developing a national tripartite stabilization program for red meat producers.

Then there is the new focus of our extension effort on financial management, renewed commitments to agricultural education and research, efforts to expand and develop new export markets and to capitalize on opportunities to

replace imports. This list of achievements goes on and on. All of these have been support measures by my ministry devised to help the industry cope with the changing rules of the game.

Of course, we face a continuing and, in some cases, mounting pressure. We respond with a continuing commitment to balance the needs and wants of farmers, processors, agribusiness, retailers, the financial community and ultimately the consumers. Through it all, our ministry pursues its goals in a reasoned and deliberate way.

10:30 a.m.

Earlier, I spoke of the need to live in the real world of fiscal and financial restraint. This means that extra care must be exercised to see that support funds go where the need is greatest. This is what we call targeted assistance. It is a maxim that guides the programs of our ministry right across the board.

For example, there is a national tripartite stabilization program for red meats. Finally, after many delays and disappointments, this will become a reality in the new year, on January 1. Once a price floor has been created which is nonexpansionary, the risks of extreme price fluctuations will finally be a thing of the past. Ontario's red meat producers, as of January 1, as I said, will be able to formulate plans and make management decisions without the fear that these will be undone by unexpected price shifts.

As you are aware, I have promised the industry a provincial bipartite program in partnership with producers. Should the national plan not be in place by January 1, 1985, Ontario's program would go into effect in the interim until the national one is ready. We will know within the next week or two, once the federal Parliament convenes, whether that will be necessary.

In addition, the red meat plan and the various development and management programs under it will make Ontario's beef and sheep industries more competitive. Our efforts have also added stability to other sectors of agriculture and food production. Introduction of financial protection plans for grain corn, soybeans and vegetables for processing have restored confidence in these sectors.

Producers can now market their crops with the assurance that their payday will not be postponed or wiped out because of financial difficulties on the part of those who buy their crops. I have openly encouraged other producer groups to come under the umbrella of these protection plans. I anticipate others will give active

consideration to this proposal in the coming months.

In the same vein, amendments to the Grain Elevator Storage Act have reduced risks of similar entanglements for stored grain. Agricultural credit is also a continuing source of concern for our farmers and has been a priority of mine and of the ministry. In response to our initiatives, there will be a special meeting of federal and provincial agriculture ministers on this urgent topic.

In Toronto on November 8 and 9 my counterparts and I will sit down to assess the recommendations for action on a national level of a special task force on agricultural credit which was founded at my suggestion. This task force was put in place at the last annual federal-provincial meeting of ministers in July in Winnipeg. That meeting will include the federal minister, who will be with us on one of those two days—I believe on the Friday—as he will be opening the Royal Winter Fair this year.

I might also add at this point that rural members of the House should please keep the evening of November 7 open. There will be a small reception for the ministers of agriculture. I will be extending an invitation to all of the rural members of the House of all three parties to come and meet the ministers of agriculture of the other provinces.

The emphasis of the task force has been to develop proposed solutions to long-term credit problems that are practical and can be implemented with a minimum of delay. One of these, I would hope, would be a national agribond program to create a pool of low interest funds which farmers would be able to tap. This government has a long-standing commitment to this concept.

These deliberations on agricultural credit are taking place in an atmosphere of renewed federal-provincial co-operation. This will become a vital component in the development of long-term agricultural policies within Ontario. The new federal government continues to stress the need to co-operate and share its various economic responsibilities—a welcome change.

Along the same lines as the targeted assistance, to which I referred earlier, we will also be targeting our marketing efforts to an increasing degree. We want to focus these on those markets where the rewards are potentially greatest to develop secure long-term markets for Ontario agriculture and food products.

We simply cannot overlook the financial information and human resources needs of

Ontario's farms. Past successes, such as our Women in Rural Life conference or our series of Management for Profit seminars around the province, serve to point up an ongoing need. I assure you that the roles and requirements of rural women and the provision of financial management material and advice will remain priority matters for our ministry.

Another initiative is the focus on agricultural education within the secondary school system. We want to put agriculture back into the classrooms of our high schools, indeed of all our schools. We are working out the details of a program to accomplish this in co-operation with the Ministry of Education.

In anticipation of this, we have begun work on teaching aids and resource material that could be incorporated into courses of study such as you used to teach, Jack, years ago. This is, in fact, part of an overall program to improve the awareness of the public—particularly the majority who live in our urban areas—of the significance, both economically and socially, of today's agrifood industry and the people involved in it.

This year, as well, the ministry sponsored the second annual Agrifood, a Look Ahead conference. This brought together the leaders of all segments of the province's agrifood industry to discuss areas of mutual concern.

In this respect, this conference meshes well with the mandate of the Agricultural Council of Ontario. The role of this recently established advisory body is to seek input from all parts of the industry and to formulate recommendations on future policy directions for the ministry.

Speaking of the future, I see the ministry strengthening its role as researcher, educator, management counsellor, innovator, insurance provider and marketing specialist.

In addition, new challenges on the credit front, federal-provincial co-operation, and an awareness of the role of women in agriculture will require new efforts by the ministry.

I firmly believe that this ministry has established a record for thorough and able action to meet the demands placed on it by a rapidly-changing industry. I can only foresee the ministry living up to its commitment even more vigorously in the future.

We will accomplish this through the judicious investment of the funds allocated to us. The budget allocation for the Ministry of Agriculture and Food for fiscal 1984-85 is \$334.7 million. This represents an increase of \$46.3 million or 16 per cent over our actual expenditures in fiscal 1983-84. As such, it is the single largest

percentage increase of any ministry of the Ontario government.

The three areas of the ministry headed by the assistant deputy ministers with me today naturally account for the bulk of this. The financial resources for each are as follows: For technology and field services, \$88.2 million; for marketing and development, \$81 million; and for finance and administration, \$158 million.

This latter figure, of course, includes our major transfer payments. The 16 per cent increase I mentioned a moment ago can be attributed to additional programs and policy directions.

The major changes are in three areas: farm tax reduction, support programs such as farm assistance and beginning farmers, and development initiatives for the red meat industry.

Farm tax reduction remains the largest single assistance program for Ontario agricultural producers. The estimated level of support this will provide in fiscal 1984-85 is \$90 million, which will benefit 150,000 land owners. By way of comparison, some \$72 million in property tax rebates went to farmers under this program in the last fiscal year.

We have made many refinements to improve this program. One of these was to extend it so it would pay benefits to farmers at the lower end of the production spectrum. This was done by lowering the qualification requirement to an annual production level of \$5,000 in northern and in eastern Ontario. This compares to \$8,000 for the remainder of the province. Again, I remind you that these are gross production figures, not net income.

We sought to revamp this program further, and conducted a series of meetings and consultations to elicit responses to our proposals. After considerable review and debate, an increase in the rebate levels was approved for 1984, raising it from 50 to 60 per cent. This will mean close to an additional \$20 million in payments to farm land owners in 1984.

We also added a special provision to allow farmers to receive rebates when their gross production figures fall below the required levels due to reasons beyond their control, such as old age, poor health or abnormally poor yields or prices.

We already recognize Christmas trees and maple products as eligible farm products under this program, but we have further expanded it this year to include woodlot products—logs, posts, firewood and so on. This particular

amendment will be especially helpful in northern and in eastern Ontario.

These worthwhile amendments mean more funds returned to our food producers. The estimated amount for this in our budget has been increased accordingly, as I have already mentioned.

10:40 a.m.

The second increase is in response to falling land values and low commodity prices, which have impeded the recovery in the farm sector. Credit is still a major stumbling block for many farmers. It was for this reason that the Ontario farm adjustment assistance program, commonly known as OFAAP, was instituted in the first place.

The credit issue was a deciding factor in extending this program twice after its initial expiry date, the latest being until December 31 of this calendar year. OFAAP has performed well its intended function of easing the burden of high financing costs.

As we saw in 1983-84, there will likely be less demand on the interest reduction portion of the program in this fiscal year. However—and this was also borne out by last year's experience—the credit guarantee side of the program is likely to be relied on increasingly to improve the borrowing capacity of farmers.

About 3,500 farmers received assistance in 1982, the program's first year. An additional 1,600 benefited from it last year and we expect a further 1,600 to take part in it this year.

It has been a significant help to those in financial difficulty. These are people whose problems are short-term, whose farms are economically viable in the long run.

There have been many calls for a lowering of the interest rate limit of this program to eight per cent from the present level of 12 per cent. We feel that the current level is realistic in today's market and under today's conditions.

If we lower the effective interest rates, we venture into very dangerous territory. We risk creating an artificial situation leading to inefficient production. At the lower levels, we begin to subsidize more than just the viable farming operations. This also creates unfair competition with our successful producers.

Access to credit and its cost also represents a major hurdle for those trying to get into farming. Of course, this is the new blood necessary for the industry to renew itself.

We saw the need to correct this situation and did so by introducing the beginning farmer assistance program a little over one year ago. For

this fiscal year, we have budgeted more than \$10 million to provide interest rate subsidies of up to five percentage points.

As I mentioned, this program was introduced in May 1983. Shortly thereafter it was made retroactive to January 1 of that year. Assistance is provided to those wanting to become full-time farmers. To date, 1,060 new farmers are in business with the assistance of this program.

The loans in question now total nearly \$135 million. Therefore, we have about \$32 million in rebates committed, of which about \$1 million has thus far been paid.

One of the qualifications, along with farming experience, is graduation from the two-year diploma courses at one of the province's colleges of agricultural technology. Currently, about one third of our approved applicants have this post-secondary training and we are aiming for a target of 50 per cent. Of course, this is just one of many ways my ministry is endeavouring to upgrade the job skills of the next generation of food producers.

The last major change affecting the budget increases for 1984-85 is the series of development initiatives for red meat producers we have put in place this year. Firm in the belief that it is government's role to provide leadership when an essential industry is in trouble, we brought forward a total development package to raise the business out of its doldrums and put it back on the road to prosperity.

These development and production improvements will mean making available \$62.5 million over a five-year period which began April 1, 1984. Thus, the allotment for this program alone accounts for \$12.5 million of the total budget increase of our ministry.

We focused the plan on four major elements of the industry that had been particularly hard hit and that would benefit most from government support.

The first was an improved marketing system for beef and sheep. Commissions were appointed to examine the needs of each sector and, in consultation with producers, to recommend changes in the marketing systems for these two commodities.

The reports of the commissions and their recommendations have been received and are currently being reviewed within the ministry, and I will be meeting with the Ontario Cattle-men's Association and the Ontario Sheep Association executives within the next few weeks to review those reports.

A second component was increased research in areas that would bolster the industry in the short run by improving productivity or enhancing marketability of the stock.

Third, development initiatives were introduced to improve the profitability and productivity of individual producers. The anticipated success of the whole program rests on improvements in performance records for beef and sheep. These will allow us to measure the progress we are making, leading eventually to maximum efficiency in overall herd improvements.

We have made an extensive staff commitment to this program, adding 17 new field staff to serve as special advisers to red meat producers.

The last few years have been very trying times for the red meat industry. In the last six years, beef consumption, for example, has erased all of the gains made in the late 1970s and has fallen back to about where it was in 1971. As we all know, the costs of doing business, of buying stock and feed and keeping the farming enterprise going, have not followed a similar curve.

In recent times, there has been much pressure on this government and on myself to make some sort of temporary assistance available to producers in this sector. I have rejected this type of ad hoc payment as being not only short-term but extremely short-sighted. I see ad hoc payments as being very much the least effective means of helping the industry.

As our intensive and exhaustive evaluations of the red meat industry have concluded, the only realistic solution to the industry's problems rests in structural adjustments to ensure its long-term competitiveness. This is very much the rationale behind our red meat plan and the reason for our support of national tripartite stabilization. Furthermore, any ad hoc payments would serve only to jeopardize this long-sought-after objective of treating all producers in Canada equally.

There are new and continuing initiatives that have a major budgetary impact on the increases for 1983-84. However, there are several other areas where my ministry has pioneered dramatic, innovative courses of action for the long-term benefit of Ontario's food producers. One such is our ongoing effort to preserve our food-producing lands to ensure that there is sufficient productive land available to sustain our agricultural enterprises for years to come. We do this in a number of ways.

From a policy standpoint, an important one is the province's official planning process. Here we can apply the detailed formula of restrictions and recommendations known as the Food Land

Guidelines. The Food Land Guidelines establish a priority on the use of agricultural land for food production. Ontario's new Planning Act makes provision for enshrining government policy regarding land use in the form of policy circulars. The guidelines are currently being rewritten in this format as a policy circular.

The guidelines have been in place now for well over five years. In that time, the majority of municipalities in the farming areas of the province have adopted them as part of their official plans. In addition, all revised official plans, zoning changes, proposed projects, severance applications and the like that affect agricultural land are circulated to my ministry for comment. Each year we assess and make recommendations on thousands of these proposals.

Another element in the preservation and development of food land is increasing the productivity of farm land through programs to construct municipal and on-farm drainage systems. We encourage farmers to undertake drainage projects by offering them financing at below market interest rates. We also provide grants to municipalities to construct and maintain outlet drains that link the many farm systems. In this fiscal year, we expect to invest \$41.7 million in these drainage projects.

This very worthwhile program has helped Ontario make great strides not only in maintaining but also in increasing our overall productive farm land. Before-and-after studies of tile-drained fields have shown these measures increase crop yields by up to 50 per cent. It has also been estimated that, for every dollar invested in drainage, one sees a return of \$18.

Our approach to preserving the productivity of farm land has a third phase. In addition to planning restrictions and drainage measures, we want to keep our productive soil where it does the most good, on the land and not in our lakes and waterways.

It has been estimated that soil erosion costs the farmers of Ontario \$68 million a year in lost productivity. To help combat this, we have established the Ontario soil conservation and environmental protection assistance program.

10:50 a.m.

By means of grants to farmers who qualify, this underwrites construction costs for erosion control, manure storage and handling systems. In this way, we encourage preservation of the soil and reduction of runoff. Since the program was introduced in April of last year, we have assisted

farmers with nearly 1,900 projects, of which about 40 per cent dealt with erosion control.

Recently, I announced an expansion of this program. Using existing funds, we have created a pool of \$600,000 to be used, in part, to set up a special advisory group of 14 soil conservation experts. They will work directly with individual farmers in the fields of our most erosion-prone areas and tackle the upgrading of soil and crop management.

There are, of course, cases where only remedial action, such as construction of spillways or diversions, can halt soil erosion. However, it is also true that there are many instances where significant improvements can be made by changing soil and crop management practices.

In fact, in the study which was done for us about two years ago by the Ontario Institute of Pedology, it was estimated that about three quarters of the soil erosion problems in the province could be corrected by individual farmers changing their soil and crop management practices.

Overall, this program represents a \$25.5-million, five-year commitment on the part of this government to soil conservation and environmental protection.

Speaking of environmental protection, I should tell you that we are also working with the federal departments of Agriculture and Environment and staff from the provincial Ministry of the Environment on a new program to reduce phosphorus levels in the Great Lakes. For our part, our target is a reduction in the phosphorus attributable to agriculture.

Another important aspect of conservation relating to farmers is the conservation of energy. Agriculture is an extensive energy user. There are heating requirements for buildings, and there is the fuel that powers farm equipment.

No aspect of farming is more dependent on energy than the greenhouse industry. Our estimates show that as much as 25 per cent of the operating costs of greenhouse growers are, in fact, energy-related. Many growers do not have access to natural gas, and must rely on higher-cost oil heating.

Since last year, we have had a new greenhouse energy efficiency program in place, a five-year, \$5-million incentive to cut energy consumption. This joint venture with the Ministry of Energy provides assistance to equip existing greenhouses with energy-saving technology. Improved energy efficiency will allow Ontario greenhouse operators to compete more effective-

ly with imported commodities and, for that matter, to make further strides in the export market.

In addition to greenhouse growers, producers of grain crops have also benefited from program and regulatory changes. The grain financial protection plan went into effect earlier this month. It protects the interests of producers of grain, corn and soybeans by setting up a protection fund to insulate them from losses caused by a buyer's financial problems.

This program brings our total to five financial protection plans. In addition to grain, we also offer this security to producers of eggs, beef cattle, milk and cream, and vegetables for processing.

Also, ownership of stored grain was clarified and made law by the enactment of a new Grain Elevator Storage Act, and passage of regulations under it, in June of this year. These legal measures safeguard the property rights of producers who deliver grain to an elevator for storage. They make it crystal-clear that farm produce held in an elevator for storage remains the property of the producer.

One of the greatest challenges faced by Ontario agricultural producers is adapting to rapidly changing markets or levels of demand. The trauma that the red meat industry has undergone in trying to do just that has been well documented. I have already outlined my ministry's responses—action plans that will put this industry back on the rails.

Unfortunately, changing tastes and shifting markets are not something solely restricted to red meat. Other segments of our agriculture industry are facing similar adjustments. Nowhere has this change been more sudden and more traumatic than in the tobacco industry.

The facts are, of course, well known. Demand for the province's tobacco crop has fallen drastically from 213 million pounds in 1983 to an initial order of 140 million pounds in 1984.

As you well know, the tobacco industry is very regional in nature. This severe reduction in demand was not something that could be spread across the province to lessen the economic blow. In fact, a small geographic area felt its full force.

Realizing the severity of this economic hardship, we reacted very quickly. We immediately organized an export mission to our major purchasers in the United Kingdom, which I personally headed over the course of a three-day trip. As a result of that mission and of the offer of a \$1.7-million export subsidy, the processors agreed to raise their order to 170 million pounds.

This 30-million-pound increase represents an additional \$51 million in sales, money that tobacco producers would not otherwise have received but for our efforts.

This is, of course, only a short-term solution. It is emergency aid to help these producers stay afloat. There are a number of avenues being investigated regarding the production and marketing of alternative crops on tobacco lands. To develop and implement these takes time.

I would not want to leave you with the impression that the entire industry is at risk, but realistically we are looking at a future where there will be fewer people engaged in the growing of tobacco. Obviously, the difficulties facing tobacco farmers did not develop overnight, despite the suddenness with which they were manifested. Solutions to this dilemma are also not going to evolve overnight. I do want to assure you that my ministry is making every effort to keep these people on the land and to ease the transition for those who seek to change their crop production to some other commodity.

Changing markets are also making themselves felt in another region; namely, the home of Ontario's grape and wine industry. Again, I will not delve too deeply into the background because I am sure you are all aware of the circumstances in which the industry finds itself. You are also aware that the government has a special committee examining the short-term problems of surplus grapes this year and falling domestic demand for wine produced in Ontario.

To complement the work this committee is doing, my ministry established a wine-and-grape task force in August of this year. This is made up equally of growers and representatives of the wine industry, with a member of the agricultural council, Dr. Jack Tanner of the University of Guelph, as the chairman. They are looking at ways in which producers, processors and government can work together to enhance the performance and the prospects of this industry in the long term.

The future of agriculture in another region of the province has been very much bolstered by a major ministry program begun in 1984. I refer to AgriNorth. Announced in June 1984, this five-year, \$10-million initiative replaces the former northern Ontario rural development agreement. It is jointly funded by our ministry and the Ministry of Northern Affairs to offer assistance with a range of programs to spur development of agriculture in northern Ontario.

Funds are available to help farmers in our northern regions undertake land clearing and

drainage, new technology demonstration projects and grain and forage production development. AgriNorth also includes support for market development studies and development projects on a district basis. In the rather short time this program has been in effect, we have already approved more than 250 projects that will have long-term benefits for northern agriculture.

Good things grow in Ontario. That is not only a statement of fact, but it is also the slogan we use to promote domestic sales of Ontario's food products. I would like to turn now to the whole issue of marketing and my ministry's philosophy and programs in this area.

We have a very strong presence in the major markets of the world and are highly regarded as food producers. We must be to sell soybeans virtually on China's doorstep or for Ontario wine to win taste tests of wine in Europe. We can deservedly blow our own horn, and we do, but not just in our advertising campaigns here at home. We constantly take samples of our fine agricultural and food products, as well as the people who make them and sell them, to potential customers worldwide.

Our marketing strategy is threefold: domestic campaigns, as I have already outlined; export development; and support for our own food processing industry. The ministry's export section has for the past few years been stepping up its efforts to attract more and more foreign customers.

Our staff organize trade missions to foreign markets. This year we expect to conduct more than 30 of these for 200 companies. We also sponsor incoming trade missions, showing prospective buyers our products, manufacturing and distribution systems. For the reasons I discussed earlier, currency situations and so on, as well as our own research, we have found that considerable opportunities exist for further expansion in the very large American market.

11 a.m.

Our market penetration in the United States at the moment is mostly regional in nature. The majority of our exports head for states which border on the Great Lakes. There are a number of reasons for this, such as ease of transportation.

Earlier this month I announced the addition to our export staff of five people charged with enlarging our markets especially in the United States. This is phase one in a long-range plan that will see Ontario opening special agricultural export offices in major United States centres.

We are particularly concerned about selling more of our products to the so-called "sun belt"

states. In related moves, we are supporting the growth and stability of our food-processing sector and extending the life of Ontario fresh fruits and vegetables. In both of these efforts, we rely on financial assistance from the Board of Industrial Leadership and Development.

The program of food processing industry assistance funded by BILD has earmarked \$20 million over five years for expansion. To date, \$13.5 million has been committed for 14 projects. That is to say, of the total investment of \$69.4 million, the government has contributed \$13.5 million through BILD.

Similarly successful has been the BILD-funded program to provide storage and packing assistance for fruit and vegetables; another five-year \$20-million commitment. For 1984-85, it is estimated that about \$4.5 million in grants will be awarded to about 300 applicants. The proof that this is working is there for all to see in our supermarkets, where you can buy Ontario carrots, for example, nearly all year round.

These same stores are the scene of product promotion campaigns for various commodities, the costs of which are shared by our ministry under the Foodland Ontario program. All in all, this is a well-rounded, aggressive approach to developing new markets and maintaining existing sales of Ontario's agriculture and food products.

It could be said that our job is made that much easier by the high calibre of the goods we are offering for sale. This, too, is no accident, but rather the result of deliberate action on the part of the Ministry of Agriculture and Food. We are in effect the quality control division for a large part of the industry. Fruits and vegetables, dairy and livestock products bear the stamp of our inspectors.

We assure the public a wholesome meat supply by inspecting 301 plants across the province. Last year alone, these facilities slaughtered more than one million red meat animals and more than 8.2 million poultry. We also administer regulations covering the control of animal diseases and disposal of dead animals.

Similarly, our dairy inspection branch is involved at every stage that gets the milk from the barn to the grocer's case. We inspect about 200 processing plants. We issue licences relating to distribution of dairy products, the building and operating of processing plants and certification of the people who work in them.

In addition, our central milk testing laboratory monitors the milk from nearly 11,000 producers

in the province for composition and quality. Its findings are the basis on which payment of these producers is calculated. This facility has now been completely modernized with the help, again, of \$1.6 million from BILD.

In fact, just last Thursday I attended the official opening of the new laboratory in Guelph. Here the latest technology is brought to bear on the logistics of making thousands of tests per day. Ontario pioneered the concept of a central lab and now we, once again, have the most modern and efficient facility of its kind in the world.

Our food and vegetable inspection service is at one and the same time a guarantee of quality and a grading system for Ontario's produce industry. Inspection of the quality, packaging and labelling of domestic fruit and vegetables is our main responsibility. As a service, we also perform the same function for imported fruit and vegetables.

We assess the value of about \$90 million worth of processing—asparagus, cherries, grapes, tomatoes and potatoes—for which we receive about \$800,000 in payments each year. These inspection services act as a safeguard for public health. There are other groups within the Ministry of Agriculture and Food also working in this essential area.

Through integrated pest management—the search for natural controls on weeds and plant diseases—we reduce the amount of pesticides that are released into the environment. Through our agricultural laboratory services, we are constantly monitoring the quantities of pesticides and pollutants found in the plants and animals which Ontario raises for food.

Our six veterinary laboratories play a central role in controlling the spread of disease such as brucellosis from animals to man. As a result of federal-provincial efforts in the control and eradication of this disease, it is expected that brucellosis will be eliminated from cattle in Ontario by 1987.

These are just some of the many ways in which my ministry makes a concrete contribution to the health and wellbeing of the people of Ontario.

We are of course concerned with more than the physical wellbeing of the people who live on our farms and in our rural communities. The quality of life for them is also of prime interest. It is a day-to-day concern of our rural organizations and services branch, especially the development of our rural youth.

Organizations such as the 4-H receive constant attention. We provide leadership training for the 5,200 4-H leaders, and the lessons they learn

eventually benefit this organization's 23,000 young members all over Ontario.

This year, we concluded our survey of rural women and published our findings in a comprehensive report called *Women in Rural Life: The Changing Scene*. This led to a conference on the changing roles and needs of rural women, held in Toronto in June. This drew representatives from all over Ontario to discuss and comment on the report's recommendations. I was pleased that a number of the members of the House were able to join us for some or all of those discussions.

The outcome of this has been that fully 18 of the report's 33 recommendations have been implemented, and action is being taken on 12 of the remainder. Recommendations now in force include having my ministry act as an advocate with other government agencies to see that their policies reflect the needs of rural women, particularly in areas of training and education. There is also a need expressed for more information on farm safety, estate planning, time management and farm financial management.

As I have said, we are putting strong emphasis on management of the farm business. Last week saw the initial Management for Profit seminar, the first of 27 such sessions around the province. Overall, our courses in farm business management will likely involve approximately 20,000 training days in 190 locations. Certainly, ministry programs such as farm adjustment assistance or beginning farmers treat women who are sole proprietors or co-owners of farming operations exactly as they should be treated: as equals.

Upgrading of skills, both on the job and from a personal standpoint, is of interest to many people. We as a ministry are particularly concerned that those in executive positions in our rural groups and organizations have access to such training. In this way, they will have more to offer their organizations and they will personally get more out of their voluntary service.

That is very much the philosophy behind the training of our 4-H leaders, to which I referred a few moments ago. However, our scope is much broader than that. We want to make this type of instruction available to all rural leaders who desire it.

That is why we initiated the advanced agricultural leadership training course, which was announced earlier this year. It is a two-year program open to men and women, between 25 and 40 years of age, with some leadership experience. The program will consist of training in such areas as policymaking, decision-making, economics, fiscal and monetary policies, com-

modity trading, taxation and consumer issues. This series of 12 seminars is scheduled to begin early in 1985.

Through these and other measures, my ministry is dedicated to supporting the traditional organizations that add so much to the fabric of rural life: junior farmers, agricultural and horticultural societies, and the women's institutes, just to name but a few. These organizations have been involved in community betterment and personal fulfilment for a very long time—in the case of the Federated Women's Institutes of Ontario, since 1897, something of which we are all the more conscious in this, Ontario's bicentennial year.

My ministry has been active in bicentennial projects, and I cannot think of any government ministry with more of a stake in the bicentennial. We are the oldest department of the Ontario government—in fact, the first department organized after Confederation.

More than that, the industry we serve has been on the scene since long before there even was an Ontario. Indeed, it is only through the efforts of our agricultural pioneers that this province was transformed from a wilderness into the bustling, multifaceted society we know today.

It is very appropriate that in this special year we should acknowledge the substantial contribution made by all who have come here throughout the 200 years of our history to work the land and raise our food. The tributes we were involved in were many and diverse. Rather than list all of them, I will mention but a few.

We traced back our agricultural roots and identified bicentennial farms; that is, operations that are still going strong in the hands of the same families that founded them. We featured some of these in a film called *Proud Beginnings*. We sponsored an oral history of farm work and farm life, a living record of the history of this industry by the people who were there, going back nearly 100 years.

We published a book contrasting views of agriculture old and new, featuring turn-of-the-century photographs by Reuben Sallows. All of these are lasting mementos, highlighting the pivotal role agriculture has played in the history and development of Ontario.

11:10 a.m.

I should point out that there is a world of difference between preserving our heritage and living in the past. Like the industry it represents, the Ministry of Agriculture and Food is one ministry with its eye very much on the future. The programs and policy direction to which I

have referred will have a long-lasting and positive impact on this vital industry in the future, and I would like to specifically underline the contributions of a few.

The beginning farmer assistance program is an obvious one. In just over a year we have passed the 1,000 mark in support for new farm enterprises. This program was designed to help about 1,000 people every year for five years to make farming a full-time career, and I have every expectation that it will live up to this promise, particularly for those graduating from our agricultural colleges. They have already shown the inclination and have acquired the training needed for success. All that remains is a push over the financial hurdles, and that is where this program comes in.

Another way we prepare agriculturalists to meet the future is through formal training, providing this occupation with professionals armed with the latest techniques and skills. We offer diploma and continuing education courses, with an emphasis on agricultural production and management as well as food services, at five colleges of agricultural technology and at the University of Guelph.

The spring of 1984 saw our largest-ever graduating class, 666 in these two-year diploma courses. This represents a five per cent increase over last year and roughly a doubling in the number of graduates in only a decade. About 60 per cent of our graduates go directly into farming, many of them onto the family farm. The balance find employment opportunities in agribusiness and in the food industry.

We also have a range of part-time and short-duration courses available at the colleges. These, coupled with our correspondence courses, give us a rounded education program. Our education programs anticipate coming trends and directions and equip our future farmers to capitalize on these. This is one more way in which the Ministry of Agriculture and Food helps farmers to help themselves, and that is our mandate.

I have sketched in some of the decisive steps we have taken to achieve it. Over and above these, we engage in a variety of programs to increase the profile of the agrifood sector. This vital industry puts food on our tables and money in the pockets of many people in Ontario. Its influence on our economy spreads far beyond the farm gate, and yet it is in constant danger of being overlooked by the majority of people who have no direct contact with the farm.

I will not detail these programs, because I am anxious that members of the committee hear from my assistant deputy ministers. But they do exist and they run the gamut from our participation at high-profile urban fairs and exhibitions to the production of films, radio and television programs and publications.

We have an obligation, which we accept, to explain our programs and their value to the industry. People have the right to know how their tax dollars are being invested. But to decide whether they are wisely spent requires a public informed about the economic impacts of agriculture, that it is a modern and diverse business, that it requires capital and high technology to an almost unbelievable degree and that it is part of a chain that starts with the family farm and encompasses the world.

Mr. Chairman, this concludes my opening comments to this committee. I would like at this time to call upon each of my three assistant deputy ministers to offer a short presentation on his duties and responsibilities. If I may, I will briefly reintroduce them. They are Dr. Clare Rennie, technology and field services; Mr. Roland Sewell, finance and administration; and Mr. Bill Doyle, whom I would like to ask to begin and tell you about his area of marketing and development.

Mr. Swart: Mr. Chairman, on a point of order: Obviously we are at a disadvantage in not having copies of the minister's statement for our replies this afternoon. He said we would get it this afternoon. I wonder if it is possible to get copies so we can have them over lunch, even if it is only a case of photocopying the minister's copy.

Interjection: We are hand correcting a faulty figure. It will be ready in 15 minutes.

Mr. Swart: Okay.

Mr. Doyle: Mr. Chairman, once again it is both a pleasure and a privilege for me to be here addressing you this morning. The area of the ministry for which I am responsible includes three divisions; they are the marketing division, the quality and standards division and the farm land preservation and improvement division.

I would like to begin with the marketing division, which in turn includes three branches, the farm products marketing branch, the market development branch and the food processing branch. The executive director of the marketing division is Mr. John McMurchy, who is sitting back there smoking a pipe. He was formerly director of the farm products marketing branch and is, I can safely say, one of the most

knowledgeable people, not only in Ontario but also in Canada, about regulated marketing of farm products.

The farm products marketing branch is involved on a daily basis with one of the most sensitive and challenging areas in the Ministry of Agriculture and Food. The branch is responsible for the administration of the Farm Products Marketing Board and the Milk Commission of Ontario, which are the two supervisory bodies for the 24 marketing boards—I hasten to add, not including rutabagas—that we have in the province.

The branch is responsible for developing policy recommendations and implementing policy decisions in all areas of regulated marketing. The branch plays a leading role in representing Ontario's collective interest in the area of regulated marketing provincially and at the national level. That is a very heavy level of collective interest. In 1982-83, for example, producer receipts through marketing boards were estimated at \$2.7 billion in Ontario, which was approximately 55 per cent of total farm cash receipts.

In a complex marketing system, with so many dollars at stake, it is obvious that numerous disputes arise during the course of the year among marketing boards, processors, producers, consumers and various other interest groups. A key role of the branch is adjudicating disputes. I have often described the role of the branch, which is in essence an administrative unit housing the Farm Products Marketing Board and the milk commission, as having a mandate of management of conflict.

The branch is also responsible for the administration of the fund for milk and cream producers, the livestock financial protection fund, the Ontario processing vegetable financial protection program and the grain financial protection program, all under the Farm Products Payments Act.

Since Mr. McMurchy was promoted to executive director, we do not have a director of this branch and we are in the process of performing a small reorganization to make the whole operation more efficient.

The members of both the Farm Products Marketing Board and the Milk Commission of Ontario consist of all the directors in the area for which I am responsible, and that includes eight directors of the ministry.

I would like to move now to the market development branch, which at one stage was called the Ontario Food Council until our

reorganization of 1977. The market development branch is the marketing arm of the ministry and its two mandates are to increase export trade and to increase domestic market growth through the Foodland Ontario program.

11:20 a.m.

Let me say a few words about the Foodland Ontario program. It was created in 1977 and launched at the Royal Agricultural Winter Fair in that year. It was a new program for our ministry. It was and is a consumer marketing program. Imports of food into Ontario at that time had increased 20 per cent annually over the previous nine years; we recognized we had a substantial problem, and the consumer marketing program was one of the major thrusts in trying to address that problem.

The basic objective of the program was to increase Ontario consumers' purchase of Ontario-produced fresh and processed agricultural food products. The current budget for this program is \$2.5 million; it is split between \$1.7 million committed to consumer advertising and \$780,000 committed to shared-cost funding, which is done mostly with marketing boards, but also with various associations.

The question we are always asked about the Foodland Ontario program is, "What does it actually deliver at the checkout counter?" That is an impossible figure to quantify. It is usually a very difficult figure to come up with, even with branded products for a particular company. What we do is track the program. We have tracked it from the beginning. We conducted a survey of consumer attitudes before we began the program and we have continued it each year. In one or two years we have done a couple. Of course, all those surveys are public documents.

The results of those surveys include claimed symbol recognition at 68 per cent. That is recognition of the Foodland Ontario symbol, with which I am sure all the members are familiar. Recognition of the slogan "Good things grow in Ontario" has reached 89 per cent. All the surveys are done in urban centres of 10,000 population and up. Currently, 65 per cent of respondents claim to have been exposed to advertising for Ontario food products and 35 per cent indicate they do try to buy Ontario food.

Let me go back to that 68 per cent figure. Some of these figures are a little difficult to appreciate if you do not have something to relate them to. That 68 per cent recognizability, which is a key feature of the whole program, is on about the same level as the Via symbol. It is not, of course,

on a level comparable to McDonald's hamburgers or Coca-Cola.

The objectives we have for the 1984-85 Foodland Ontario program are as follows:

1. To increase consumer intent to purchase from the current level of 35 per cent to 40 per cent, a five per cent increase, by strengthening what the advertising people call "the call to action" element in the advertising message, particularly when the customer is close to the final purchase decision.

2. To increase active support from producers, processors and the retail trade for the Foodland Ontario commodity group promotions.

3. To increase identification of both fresh and processed products, using the Foodland Ontario symbol.

4. To develop a more focused food service plan, with which we have not done very much up to this time, which will dovetail with planned consumer promotions, provided they coincide with opportunities available within the food service industry. They are not always available—it depends on the particular end of the industry—but it is a large part of the consumption of food and an area to which we are going to be devoting increasing attention.

5. To increase the impact of the public relations activities outside of direct advertising. That includes activities such as our people appearing on television shows, providing tapes for use by radio stations and that type of thing as well as appearances at shows or at shopping malls.

6. To develop a proposal to revitalize elements of the program that have not been as successful as we wanted them to be.

Turning now to the international part of our program, the export section, the minister made reference to this extensively in his remarks and I hope I do not repeat anything he has already said. Ontario agriculture and food exports over the past three years have grown by 11.9 per cent, from \$1.5 billion in 1980 to \$1.62 billion in 1983.

If you look at the major areas to which we export, the United States looms very large at 62 per cent, followed by the United Kingdom and the European Economic Community at 16 per cent—that splits evenly between eight per cent to the UK and eight per cent to the rest of the EEC—three per cent to the Caribbean, nine per cent to the Pacific Rim, six per cent to the Middle East and five per cent to other areas.

In terms of trends, the European part of it has been decreasing as a percentage, influenced in no

small way by the European policies to which the minister referred and to difficulties of overcoming the common agricultural policy of the ECC.

Basically, the European attitude is almost a throwback to the mercantilism of the 19th century in which exports were regarded as good and imports as bad. Anything the Europeans can grow they want to produce totally for themselves, so they will do anything and everything to protect that. That in turn creates great tensions and the Americans have a major row going with the Europeans, as do we.

For example, on this point at the last agricultural committee meeting between the Europeans and ourselves, the Canadian representatives brought a proposal to have export subsidies a part of future discussions. The Europeans refused to accept that. Those are the sorts of difficulties into which we head.

They may start taking the market away from us with their subsidies—indeed, for example, for beef. Beef from Ireland has been flooding into Canada and the incredible situation is it is openly acknowledged that beef receives very substantial export restitution, I think of the order of about 50 cents a pound. When you consider it ultimately ends up as hamburger, likely retailing at about \$1.60, it is an enormous level of subsidization.

Believe it or not, that is not, as they call it, "GATTable." You cannot attack the Europeans for it because they built it into the commitments they made at previous General Agreement on Tariffs and Trade sessions. Short of the Canadian government taking action and having subsequently to provide better access for European products because they would not hold up before a GATT panel, the only way we can prevent that is to demonstrate injury, which is difficult, if not impossible, in that instance.

How can we show injury when we have a large market in the United States that we service with manufacturing beef and it is a substitution effect, pulling in manufacturing beef from overseas and selling it into the United States?

There are all those horrendous difficulties in dealing with the Europeans in particular. Where all of this will end up, Lord only knows, except there are moves afoot to have a new round of GATT negotiations in agriculture soon. Whether that will happen or not, I really do not know.

As far as our exports are concerned, the United States is by far the largest, the fastest-growing, and our best prospect, followed by the Middle

East, where we have made fairly substantial progress, and the Pacific Rim areas.

The target we have set ourselves is to reach exports of \$3.2 billion by 1988. In 1983-84, this section of this branch of our ministry, the international trade section, conducted 22 sales missions to 26 different market areas involving 188 food and agricultural companies, generating \$80 million in additional cash sales influenced over the succeeding 12-month period.

Perhaps I should mention we do an immediate follow-up with the companies that participate in all the trade missions and ask what sales they have made. We check back with them at a later date to see whether this was a one-shot deal or a continuing thing. It is a very effective way of expanding our export efforts.

These 22 missions compare with 16 missions in fiscal 1982-83, so you can see we are increasing fairly substantially.

11:30 a.m.

In terms of payback, on the basis of past experience my staff has calculated that it is not too different from Clare Rennie's research efforts. The famous Rennie 30 to one, as we used to call it—

Mr. Galloway: It was 40 to one.

Mr. Doyle: Sorry, it was 40 to one. We cannot claim 40 to one, but we estimate it to be \$30 of increased sales for every dollar we expend on this program. It is a really wonderful program.

I would now like to move from that branch to the food processing branch. Basically, the objective of this branch is to promote the development of an efficient processing sector through assistance programs such as the Board of Industrial Leadership and Development. This is a large part of this branch's activity and industry, constantly aimed at increasing value added in corporate placement and export expansion. That gets them involved in many things.

We regard this branch almost as the advocate for the processing industry within the ministry. A lot of staff time goes into evaluating Board of Industrial Leadership and Development projects. These are the people who do that work initially, before it goes on to the senior levels of the ministry, the minister, on to other ministries and ultimately to the board.

To take you back to what was said on food processing in the original BILD documents, that particular economic development strategy committed \$20 million over five years for the expansion of the food processing industry in Ontario. To date, \$13.5 million has been committed by BILD for 14 projects, for a total

capital investment of almost \$70 million. That is fairly impressive.

The intent of the food and vegetable storage program—the minister made reference to that—when we were successful in getting it on the BILD agenda, was to broaden the shoulder of the marketing period for fresh Ontario fruits and vegetables, which was a large part of our import bill. BILD committed \$20 million to that program over five years, with the intention of increasing the supply and quality of Ontario produce over an extended marketing season.

As of August 30 this year, a total of 835 projects have been approved for grants totalling \$12.6 million on capital investments of almost \$40 million. Again, we would say it is a very successful program, ranging from a \$3,000 project in the peninsula where the grower is upgrading his refrigeration equipment, to fairly large grants in excess of \$100,000 for very large projects.

Mr. G. I. Miller: Did BILD commit...

Mr. Doyle: Can I deal with that subject later, when I have the staff person present?

Mr. Chairman: Yes.

Mr. Riddell: It is just a facetious interjection.

Mr. Doyle: Another part of this program is called a whey processing assistance program. We never intended this part of the program to do anything other than accomplish a number of objectives like this. Whey is an enormous pollutant. By and large, it has always been difficult for any industry to show a decent return on putting in equipment to handle it.

Consequently, equipment was not put in, and despite lots of money spent by the government for holding tanks in various parts of Ontario, not a great deal happened. Considerable pollution of municipal water supplies was coming about because of it. After having a look at what was being done in other jurisdictions, a substantial commitment was made to do something in this area.

BILD allocated \$15 million over five years for this program. The amount of money we have expended to date is a long way short of that and we do not expect to expend the full \$15 million. To date, we have expended slightly more than \$250,000. We expect some large projects to be coming through, but our estimate was larger than is going to be needed.

There are a few other areas of BILD that Brian Slemko, the director of this branch, deals with, but they are really in other parts of the ministry. Perhaps I will mention them in passing. I am sure

Clare Rennie will deal with them at greater length.

One is the high-technology equipment program for the agricultural colleges. BILD committed \$1.25 million for the installation of high-tech equipment to facilitate the training of students in the use of these modern tools. To date, \$809,000 has been expended on the introduction of the computer systems at the six agricultural colleges. Additional equipment will be acquired during the year.

On seed potato upgrading and distribution, facilities at New Liskeard College of Agricultural Technology will be established to propagate seed potato plants and distribute them to qualified northern Ontario greenhouse operators. The objective of the program is the eventual marketing of the seed to commercial potato growers. The \$1.1-billion funding is shared by BILD, the Ontario Ministry of Agriculture and Food, the Ministry of Northern Affairs and the Canadian Seed Growers' Association.

Moving on to other parts of the BILD program, the Ontario cream assistance program has given more than 100 different creameries and farms a total in excess of \$250,000 to assist in purchasing cream equipment and on-farm mechanical coolers. The total private sector investment is almost \$600,000. In addition, 24 creameries have received new cream containers valued at almost \$90,000. This part of the industry continues to be of some concern to us, in the sense that there are problems out there in cream country. We are addressing them, but it will take some time to solve some of the quality problems of this industry.

The Ontario tender fruit for processing tree planting assistance program was an attempt, as I am sure some of the members will recall, to assist producers to replace freestone with clingstone peaches, and also with Bartlett pear trees. As of September 30, 1984, 307 grants have been made for a total value of \$733,000.

Ontario's asparagus production incentive program, which came about as a result of a joint effort between the Asparagus Growers' Marketing Board, the asparagus processors and the ministry, by the end of March 1984 had paid out \$817,000 to 148 growers for planting 2,309 acres. The whole objective of this program was to replace some of the asparagus currently being imported into Ontario. The original allocation was \$1.5 million for that program, so we are well on target there.

Other functions of this branch are to address interests and concerns emanating from the food

processing industry. As I said, we look on the branch almost as a group that takes the concerns of the processing industry and deals with them internally. They have done things such as identify opportunities for products such as processed sweet corn and apples in the United Kingdom. We have an ongoing problem with competition from Israel in the UK market. Israel has preferential access into the European Economic Community and is making quite a show of trying to take the market we developed away from us. We do not have many options, except to be more efficient and better marketers.

With apples, we know we are looking at a fairly substantial crop coming off some time over the next few years, and expansion and production in the order of 50 per cent, which will bring us up to a crop of maybe 12 million bushels of apples from the current eight. That is a trend that is occurring throughout North America. We took a look at the British Columbia program in the UK, a highly successful program for marketing an apple we do not produce.

We do not produce the type of Delicious they produce out there. We do produce a smaller one, as does New York state. We see a market in the UK for that. In order to have that happen, as with a lot of things, we need to make some arrangements here at home to put ourselves in the position of capturing a chunk of the market in the UK. To put it in simple terms, there is little point in us simply sending off boatloads of apples on consignment to dealers at Covent Garden. There is no way we would capture a market share by simply handing them away.

11:40 a.m.

Those are some of the activities that go on in that branch. That concludes the part that deals with the marketing division. I would now like to move on to the quality and standards division. I have many slides but I think I will keep it to this one slide and talk about the programs. Then I would be happy to answer any questions, or members can leave their questions until the vote comes up and ask the respective experts in the field to deal with them.

The executive director is Dr. Kenneth A. McDermid, sitting right there beside John C. McMurchy. This is both an organizational chart and a program chart. The major programs are: dairy inspection, under Dr. Joseph A. Meiser; division co-ordination, one of Ken McDermid's functions; fruit and vegetable inspection, under James H. Wheeler; an investigative unit, under Douglas H. Grout; and livestock inspection, under Dr. George C. Fleming.

Let me start with the investigative unit. This group, which consists mostly of former security personnel, is engaged primarily in the enforcement of the Dead Animal Disposal Act, the Oleomargarine Act, the Edible Oil Products Act and the Live Stock and Live Stock Products Act. Investigations are conducted into suspected violations of the Meat Inspection Act, Ontario, which, in concert with the Dead Animal Disposal Act, is designed to protect the human food chain. Members of the committee will recall some of the problems that arose in this area in both Ontario and Quebec about eight years ago. This unit also provides any security advice the ministry as a whole requires.

A total of 175 charges were laid during the financial year for offences under the various acts administered within this division. As I said, the services of the unit are also utilized by other branches of the ministry, particularly where fraudulent activity is suspected on the part of applicants for financial assistance under the various ministry programs, and where fraud is suspected in claims under programs such as crop insurance. A total of 10 fraud-related charges were laid under the Criminal Code as a result of those investigations.

Moving over to the left-hand side of that chart and the dairy inspection element, members will notice we have set up a central milk testing laboratory, the milk quality program, the plant audit program and the plant inspection program. Let me deal with each one of those. I will start with the milk and cream quality program, the second one down on the chart.

This program is directed towards improving the quality of raw milk and cream for processing through farm premises inspection, follow-up calls because of substandard milk quality, and a laboratory analysis of raw milk sold to processing plants. Since raw milk temperatures are critical to maintaining quality, a new program of tagging farm bulk tanks whose temperature at time of pickup was in excess of four degrees centigrade was started in March of this year.

Milk plants continue to increase their surveillance of inhibitory substances while penalties against producers have continued to decline. The quality of performance has therefore shown substantial improvement. The plant inspection staff inspected approximately 190 plants and provided assistance on technical problems encountered by the processors. Plant audit staff verified milk utilization in dairy plants to ensure that milk and cream producers were properly paid.

The branch issues more than 2,000 licences and certificates under the Milk Act, which pertain to milk processing plants, milk distributors and dairy workers. Permits were also issued to build new and alter old plants.

For the Barclay section, the minister made reference to the fact that a new lab was opened this past week. It is state-of-the-art and one of the finest facilities, not only in the province but anywhere in the world. Somatic cell standards, along with milk composition standards, were prepared and shipped quarterly to customers in more than 90 different laboratories in Canada and the United States, generating a revenue of more than \$97,000 in the past year.

Our central milk testing laboratory plays a leading role in the calibration of analytical equipment used by industry and government across Canada and in the United States. The lab tested all producer composite samples for producer payments and processor billing. Also, consumer packages of beverage milk products from all licensed plants are analysed twice each month for flavour, composition and package fill.

In addition to the above, every producer's milk was tested on a regular basis for bacterial content, antibiotics, somatic cells and added water. Consumer packages of goat's milk were tested for dilution with cow's milk.

The branch, in co-operation with the Ministry of Government Services, designed the new lab at Stone Road in Guelph and it will be operative fairly soon. This facility incorporates the latest in technological equipment for the testing of all raw milk produced throughout the province.

Fresh fruit, vegetable, honey and maple product inspection continued to be the primary responsibilities of the fruit and vegetable inspection branch, with more than 35,000 inspections conducted during the year at the packer, wholesale and retail levels. In addition, 15 grading and testing programs were provided for the processing fruit and vegetable and tobacco sectors.

These cost-recovery programs generated total revenue in excess of \$750,000 by providing a means of determining the payment for and ensuring the quality of crops valued at more than \$400 million.

Increasing provincial apple production resulted in more controlled-atmosphere apple storage inspections and monitoring by branch inspectors. In the 1983-84 storage season, inspectors sealed 205 controlled-atmosphere storages containing in excess of two million bushels of apples.

A new provincial entomologist, Dr. Herron, was appointed to arbitrate disputes under the

Plant Diseases Act and the Abandoned Orchards Act. That legislation provides for the elimination of diseased insect-ridden orchards and vineyards, which represent a source of infection to commercial fruit producers.

The branch administers the Ontario storage and packing assistance program which I referred to earlier and which is in its third year.

The Farm Products Containers Act, under which the Ontario Fruit and Vegetable Growers' Association collects its fees, was amended during the year and a new regulation instituted to improve the ability of that producer organization to sustain itself financially.

Moving over to the far right-hand corner of that slide and looking at the livestock inspection, and first looking at livestock community sales, the Live Stock Community Sales Act requires licensing of all livestock community sales in Ontario. Sale facilities must comply with structural and sanitary requirements, and sale operators are bonded for the protection of livestock consigners.

All animals sold are inspected by veterinary inspectors prior to sale. In 1983, 60 licensed communities conducted 2,651 sales and sold in excess of 1.5 million animals.

The Ontario beef cattle financial protection program became effective on September 1, 1982, and was designed to protect producers and other sellers of beef cattle should a buyer default in payment. Livestock dealers are licensed under the Live Stock and Live Stock Products Act and must promptly pay for cattle purchased for slaughter or for further feeding for beef production purposes.

A deduction of 10 cents a head for each party involved in a sales transaction is contributed to the livestock producers financial protection fund, which is administered by a board representing the various segments of the beef industry in Ontario. In the event of a default in payment, the fund pays 90 per cent of the seller's claim.

11:50 a.m.

Livestock dealers must demonstrate financial responsibility before a licence is issued and, in the licence year 1983-84, there were 489 livestock dealers licensed. Indeed, in passing on that number I recall the discussion in this committee last year about how many were out there, and it was a number we did not really know. There were estimates of a number two or three times what we have actually found to be operative out there, and I think we found the same thing in grain when we finally licensed everybody there.

On meat inspection, during 1983 there were 301 plants licensed under the Ontario Meat Inspection Act. This service provided at these plants protects the public by assuring a wholesome meat supply and encourages consumer confidence in the meat industry. In 1983, more than a million red meat carcasses and over eight million poultry carcasses were inspected and received the Ontario approved designation.

Dead animal disposal, to which I referred earlier, is a program that protects the public from the consumption of meat from animals dying of causes other than slaughter. The program assists in the prevention of the spread of livestock diseases and in the protection of the environment.

That is the presentation on the quality and standards division. I would now like to move on to the food land preservation and improvement division. The executive director of this division is Henry Ediger. He is on vacation this week, but he will be back next week. Mr. Donald Dunn is the director of the food land preservation branch, and I do not see him here. Mr. Henry Ediger is director of the capital improvements branch, and he is sitting back there behind John McMurchy.

Speaking first of all on food land preservation and the Food Land Guidelines, the branch's major responsibility is the implementation of the Food Land Guidelines, which is the Ontario government's policy for the preservation of prime agricultural land. Municipalities are required to adopt the provisions of this policy in their official plans and to give priority to the protection of farm lands when making land use planning decisions.

The branch also applies guidelines to development proposals for major public facilities such as highways, hydro corridors, pipelines and waste disposal sites. A complete review of the Food Land Guidelines is being carried out to develop a new food land preservation policy statement to be issued under the Planning Act. In addition, a comprehensive review of the code of practice is being undertaken. Of course, that is being undertaken in conjunction with other ministries within the government.

During 1983-84, the branch reviewed 5,095 land use planning and development proposals for compliance with the guidelines, made up of the following: 51 official plans, 403 official plan amendments, 120 plans of subdivision, 159 zoning bylaws, 16 zoning order amendments, 4,180 severance applications, 14 municipal annexations, 40 Niagara Escarpment Commission permits, 36 gravel pit licence applications,

15 Ontario Hydro projects, three sewage treatment and five waste disposal facilities, 21 highway construction proposals, 12 pipeline construction proposals and 14 proposed sites for a domed stadium. So it covers the ball park—no pun intended.

In the past year branch staff served as expert witnesses at 59 Ontario Municipal Board hearings to support compliance with the Food Land Guidelines. The branch also reviewed 17 OMB decisions that were petitioned to cabinet. Staff at the branch are providing agricultural land use planning expertise on the parkway belt steering committee, the Niagara Escarpment plan, the Ontario pipeline co-ordinating committee and on site selection for industrial waste disposal facilities.

Under the farm lease program, the branch provided expertise for the leasing of about 50,000 acres of government-owned land to 500 farmers.

The other major program in that branch concerns nonresident ownership. Under the requirements of the Non-resident Agricultural Land Interests Registration Act, the branch is responsible for monitoring the extent of nonresident ownership of farm land.

During the year, there was a significant decrease in the amount of agricultural land acquired by nonresidents as compared to the previous two years. Total nonresident interest continued to remain at about one per cent of Ontario's agricultural land.

Moving to the capital improvements branch, this branch administers a number of assistance programs directed at the improvement of agricultural land and capital improvements on the land, starting first with drainage.

One of the physical resources a farmer can alter is the internal drainage characteristics of the soil. Studies have shown that tile drainage can increase yields by 50 per cent or more. Tile drainage is a capital-intensive venture.

In 1983-84, the province loaned \$23.7 million at eight per cent interest to 3,400 farmers to install tile on 200,000 acres. In addition to this investment by the province, the farmers themselves invested some \$40 million.

All of these loans are made through the local municipality and are collected as taxes so there is virtually no problem with delinquent payments under this program. In 1984-85, \$25 million will be made available under the program.

In many parts of the province, there is no adequate outlet for the farmer's tile drainage. He is required by common law to take his water to a

place where it can discharge without causing injury to another owner. The Drainage Act provides a mechanism for constructing and repairing outlet drains. In 1983-84, \$7.7 million was provided in grants re 2,221 projects affecting 800,000 acres of land. In 1984-85, \$7 million will be provided.

The AgriNorth program will provide \$10 million over five years to develop the agricultural potential of northern Ontario. Specific program areas include tile drainage, which is a big part of it, land clearing, new technology demonstrations, market developments, grain storage and handling and forest production.

Since these programs began on April 1, 1984, a total of 264 projects requiring \$726,000 of assistance have been approved, so it is off to a flying start. To October 4, 1984, about \$103,000 of the \$1.6-million 1984-85 budget has been expended.

AgriNorth programs will continue the northern development thrust of the old federal-provincial northern Ontario rural development agreement which terminated on March 31, 1984. A total of \$4.7 million was committed for 1,092 projects since the agreement was signed in March 1981. These funds were used to promote the transfer of new technology developed in northern farm land based through tile drainage and land clearing, and to encourage local markets for northern produce.

By March 31, 1985, an estimated \$4.3 million will have been expended. The remainder of the budget will be expended between April 1, 1985, and March 31, 1986. Costs are shared equally by the federal and provincial governments.

The federal-provincial eastern Ontario subsidiary agreement, EOSA, was signed in December 1979, allocating \$14 million for outlet drainage, technology transfer, farm development and marketing. The original termination day of March 31, 1984, has been extended to September 30, 1985, to allow the completion of municipal drainage projects. An additional \$1.95 million is allocated to the outlet drainage program, bringing the total budget for all programs to \$15.95 million for 336 projects. It is projected that \$11 million will be expended by March 31, 1985.

12 noon

The eastern Ontario apple tree replanting program is another program that provides grants equal to the cost of purchasing approved apple tree root stock to replace trees that died in eastern Ontario in the severe winter of 1980-81. This is an assistance program to deal with that. It supplements the federal program that pays

compensation for dead trees and provides assistance for re-establishment.

As of October 4, 1984, about \$288,000 was paid on 73 applications. The 1984-85 budget is \$360,000 and the program will terminate on March 31, 1986.

The seasonal housing assistance program provides assistance to fruit, field vegetable and tobacco growers to provide approved housing for their seasonal workers. As of October 22, 1984, assistance of \$3.1 million has been provided for 655 applications. The program will expire March 31, 1986.

The branch also administers more than 2,800 loans under the Ontario junior farmer establishment loan program, 300 farm leases under the farm enlargement program and 12 community pastures. The latter two programs were initiated under the federal-provincial agricultural and rural development agreement that was terminated in 1978.

Mr. Chairman, that is the presentation. I will sit here at your pleasure to answer questions.

Mr. Chairman: Thank you. Do you have any other deputies?

Hon. Mr. Timbrell: Mr. Sewell is next.

Mr. Riddell: On a point of order, Mr. Chairman: I do not want to suggest this is not all good stuff, but it is an exercise we have been through before, and rightfully so. After the reorganization of the agriculture ministry it was good to hear the deputies get up and talk about their various responsibilities.

I really think it is an insult to some of the opposition members who are sitting on this committee to think we could not retain what we heard before, or to think we are not somewhat knowledgeable about the various branches of the reorganized ministry and what is going on within those branches.

I really think this is an exercise that is somewhat useless. We as opposition members want to get at some of the real concerns we know exist in rural Ontario. To sit and listen to the deputies talk about their branches and the type of work for which they are responsible is not allowing us sufficient time to have dialogue with the minister about the concerns that lie outside this ministry.

I am wondering whether we need to take up the whole morning. It looks as though it is going to be the whole morning and we have two other deputies to hear from. If they all take the same amount of time as the last deputy minister, we are looking at another hour yet, which takes us into the afternoon for the minister's opening state-

ment and statements by his deputies. I do not know of any other minister who takes up three hours or better with opening statements.

We have boiled this thing down now to 18 hours; we used to have 20 or 22 hours to discuss agriculture. We have co-operated by agreeing that 18 hours probably would suffice, but I can tell you it will not suffice if we are going to have to sit and listen to lengthy statements by the minister and his deputies.

Maybe my colleague the critic for the NDP may not agree with me; he may want to see the deputies carry on, but I just think it is a useless exercise because we have heard it all before.

Mr. Chairman: You have a right to your own opinion.

Mr. Swart: Mr. Chairman, I share to a very substantial degree the views expressed by the member for Huron-Middlesex (Mr. Riddell). Because of his longer experience as critic, he may be a bit more knowledgeable about the divisions and responsibilities within the ministry than I am. Having said that, much of what was explained here was information I already have.

However, I would suggest that we can finish the other two by 12:30—which is the time I think we can adjourn—by trying to cut down the presentations. I know they may have prepared longer presentations. It may be difficult to cut them down. However, I would like to see it over by 12:30 so the opposition critics can get into their comments. Then we can get to the detailed questions as soon as possible.

Mr. Chairman: Thank you. Minister, do you think this could be arranged?

Hon. Mr. Timbrell: Mr. Sewell and Dr. Rennie will try to be as brief as possible. The point is that from year to year, there are new programs, new developments, new trends and new information. I am well aware the members, the critics especially, try to keep themselves abreast of what is happening. We just wanted to—and we always follow this approach—lay everything out, put all the cards on the table, in advance of the detailed discussion.

Mr. G. I. Miller: Do you have a copy of the report just given by Mr. Doyle? Is it available?

Hon. Mr. Timbrell: Did we make copies?

Mr. Chairman: I doubt if there would be, according to the way I observed his presentation. A lot of it appeared to be off the cuff.

Mr. G. I. Miller: Were those figures given off the cuff? I thought he was reading from a report.

Mr. Doyle: Are you referring to the presentation I just gave?

Mr. Chairman: Yes.

Mr. Doyle: Some of it is in written form and some of it was extemporaneous.

Mr. Swart: If I may just comment, the Instant Hansard will be available before we meet next Wednesday. I believe this committee is meeting only once a week. It will be nice for us to have a lot of that information.

When I spoke before, I should have acknowledged the fact the minister's statement was substantially shorter than it has been for the last two years. I think it took about half an hour to an hour less. Also, I would acknowledge the fact that, compared to that of the Minister of Consumer and Commercial Relations (Mr. Elgie) which I sat through the other day for three and a half hours, it was a relatively short statement.

Mr. Harris: I do not want to tie up time. I think the minister should be proceeding, but we should get the overview. The reorganization is not that new. I think things are evolving. I am hearing new things and I do not mind indicating that.

Maybe I should be more up to date, as the critic for the Liberal Party suggested. However, it should also be noted that while some are saying it is all old stuff and we know it all, others are asking for copies of what is being presented. There are some who feel new material is coming in and it is of benefit to give an overview. I think it should proceed.

Mr. Sewell: Thank you, Mr. Chairman and gentlemen. The financial administration division is somewhat new, effective October 1. It is a combination of the former finance and policy division and the former administration division, with the exception of the economics group which now involves policy planning. I will not take too long.

Crop insurance and stabilization, Morris Huff, the director, is here; farm assistance programs, Nancy Bardecki, director; management information and financial planning, the director is not here at the moment; accounts and office services, Michael Keith; audit services, Verne Macdonald; and the personnel branch. These are the three administration branches—

Mr. Chairman: Mr. Sewell, could I interrupt just for a minute? Hansard is having a problem picking you up. Could you move over to your right just a wee bit?

Mr. Sewell: Is that better? Sorry.

Mr. Chairman: No, not yet. The microphone is not picking you up.

Mr. Sewell: Is it now?

Mr. Chairman: The next one, get away from the projector. The fan on the machine was muffling your voice.

12:10 p.m.

Mr. Sewell: The main functions are the financial assistance program, budget development for the ministry, the general controllership and the administrative support and helping in the decision-making process.

The Crop Insurance Commission of Ontario is a federal-provincial cost-shared operation. It was established in 1966. Farmers can purchase up to 80 per cent coverage. The plan has grown from 23 crops in 1974 to 49 crops in 1984. Insurance went from \$122 million to \$482 million, from 871,000 acres to almost two million acres. The payouts have been \$271 million.

In the last year, two new plans, canola and asparagus, were introduced; we now have a total of 49 plans. There are some targets to try to improve the insurance coverage. I can give you those later if you wish.

The Farm Income Stabilization Commission consists of two farmer members and one representative from each of the three farm organizations. These are the plans which are covered as at March 31, 1984.

The main programs in the farm assistance programs branch are the Ontario farm adjustment assistance program, often called OFAAP; the farm tax reduction program; beginning farmer assistance; young farmer credit; and those 15 or so compensation and subsidy programs.

The main purpose of OFAAP is to assist those farmers in financial difficulty. This is done in various ways, but mainly in emphasizing farm business management counselling and by the three-part participation of the ag reps branch and the banks, as well as the producer.

There are three options: interest deferrals; interest rebates; and guarantees on loans. I have some pamphlets if anyone wants further information on these.

The Ontario farm tax reduction program accounts for \$90 million in our estimates this year. The main increase this year is to establish the program by regulation rather than by an annual order in council, paying up to 60 per cent rebate. The eligibility criteria have been adjusted to \$5,000 for the north and east and \$8,000 for western Ontario.

As the minister mentioned, participation in the beginning farmer assistance program has reached 1,060 to date and so it is pretty well on target. The next slide shows how we expect to spend the

funds, the \$130 million-odd that has been committed to that program over the next five years.

The Ontario young farmer credit program is really a guaranteed bank loan. Fifteen million dollars in loans was recommended; there is \$3.2 million outstanding and 439 young farmers have participated.

Those are part of the small compensation programs, but together they total \$800,000. That is a significant amount, so when we are talking about small programs, we are talking close to \$1 million.

Thank you. That is all I wish to say.

Mr. Chairman: Thank you, Mr. Sewell.

Hon. Mr. Timbrell: Can we provide copies of that material to the members of the committee as well?

Mr. Sewell: Yes, I will.

Dr. Rennie: Mr. Chairman and gentlemen, I will be brief.

There is just one slide on the organization, which has not changed since it was brought in two and a half years ago, with two divisions in the wing of the ministry known as technology and field services. I have just two comments about the organization.

In building this organization, as we did two and a half years ago, the rationale behind it was that we would have two groupings, education and research, and advisory and technical services, all within one wing or section of the ministry. By so doing, we have the opportunity of improved communications and fast transfer of new knowledge to the farmers and agribusiness people of Ontario.

The overall philosophy in the technology and field services wing of the ministry, including education and research and also advisory and technical programs, is that of providing opportunities, knowledge and technology for people so that, in helping them, we enable them to help themselves. That is the rationale and philosophy behind the two divisions and the operations within technology and field services.

I am not necessarily going to talk about the organization or programs within it. If there are questions, I will be glad to answer them at a later date, as we discuss the estimates. Those are just a few highlights. The minister in his opening remarks commented on it. We will go through this quickly.

In the diploma programs at our five colleges of agriculture and technology and at the University of Guelph, which we support, the largest class

ever, 666 graduates, graduated this past May and there is a total enrolment of 1,636.

Two new aspects are that in the past year or two years there has been an increased emphasis in the educational program on farm financial management and, second, in the possible application of microcomputers in agriculture.

The next area is the Ontario Agricultural Museum. The minister made reference in his opening remarks to the educational program and the role of the museum.

This past year we have had a tremendous increase in the number of school children attending the museum; the increase is 22,000 approximately, and there are still a couple of weeks to go, so that figure may be increased slightly. Young people at both the elementary and secondary school levels have an opportunity to see agriculture in the past and see how it has evolved over time. That program is going extremely well. By the time we close our gates in a couple of weeks, we will have had an attendance of more than 62,000 this year, an all-time high.

In the broad area of research, Bill Doyle has already mentioned our 40 to one return, so I will not push that point any further today. There is not a great deal of change here, but I will cover just a few highlights.

Research is carried out at 13 different locations. We have 1,800 hectares of land in total. That includes the college operations at the main campus, so it is not all workable land.

We have in total 153 full-time professional people, including those we support at the University of Guelph in agriculture and veterinary medicine, at our colleges of ag tech and at the Horticultural Research Institute of Ontario. They are spread over more than that, as a matter of fact.

We have approximately 750 individual research projects. We stay at around that number, with about a 25 per cent turnover of completions and new projects started each year.

Here are a few things you might be interested in. This past year we had a good year in terms of new varieties of crops that were produced. The first two, Vee-Blue and Vanier, are two new plum varieties that came out of the Vineland operation.

OAC Minto is a new variety out of Guelph with good yield and good disease resistance. Acton is a winter barley out of the Guelph program, which we support, again with better disease resistance than most other varieties.

12:20 p.m.

OAC Decade is a new winter triticales, with a higher yield and earlier maturity than the other winter triticales that have been licensed in Canada. The last one, OAC Triton, is the world's first—and I want to emphasize this one—the world's first triazine-tolerant canola variety. The development of such varieties is going to mean a new approach in crop protection from weeds through plant breeding.

Triazine tolerance will permit producers to use inexpensive and relatively safe herbicides to control species which are now difficult or almost impossible to control.

Mr. G. I. Miller: I thought there was a new peanut coming out.

Dr. Rennie: There is a new one, that is true. That is another one that should be on the list—the first Canadian peanut variety produced through the Guelph program.

The next section is 4-H. The minister did mention this; I just want to expand briefly. We have had a good year, again, in the 4-H program. More than 23,000 members are enrolled in the various clubs; we have more than 3,500 clubs across the province.

Of the other three figures on the sheet there, the 8,000 refers to a new 4-H program in horticulture that was started this past year. It was very well received. The 4,000 refers to the number of young people, both men and women, enrolled in microcomputer clubs. The 3,000 figure at the bottom refers to the number of members enrolled in the farm financial management club, again a new club. Those are the three new things that came into our program this past year.

There will no doubt be more discussion on this later on, Mr. Chairman, but as of this past week more than 4,000 farms have enrolled in the production incentive program of the red meat plan. The next figure, 3,320, is the number of cow-calf farms which have enrolled. The 909 is the number in the stocker-slaughter program; the 457 refers to the sheep program; and the 17 are the new red meat advisers who have been employed and are in place out there working with producers enrolling in those various programs.

The next area is soil conservation, and the minister made reference to this in his opening remarks. These are the number of projects that are completed, as of October 20. The 654 is the number of erosion control projects. I am talking now about completed projects, so these may differ from what you will see in other documentation.

The 610 figure refers to the manure storage projects. We are extremely pleased that they are coming on about 50-50 in the number of projects in so far as manure storage vis-à-vis soil conservation is concerned. The 14, again, refers to the number of people who will be coming on as soil conservation specialists over the next four to five months.

The new program, which the minister made reference to, was our thrust into education, into the elementary and secondary school system. The 4,000 figure there is the number of resource handbooks that have been distributed to schools across Ontario.

This program has been very well received and things are progressing well for the introduction into the grade 9 curriculum of this new course entitled Energy in the Food System. We anticipate that by the fall of 1986 that course, which will be a total of 16 hours, will be in every school program at the grade 9 level across Ontario.

The next area is the Management for Profit seminars; they were a big success last year. We had seminars at 10 locations last year, with more than 3,000 farmers and agribusiness people participating.

As the minister mentioned, we launched this year's seminars last week. They will be held at 27 locations across Ontario. We wanted to spread it out further, get it closer to county and regional levels, so farmers would not have to travel so far. We anticipate probably more than 3,000 this year attending these seminars.

The RSVP seminars were the seminars on rural leadership sponsored this past year by the rural organization and services branch. They were very well received; there were 46 different seminars across the province with more than 2,000 participants. This year we are not launching it on what you would call a province-wide basis, but rather we are doing it at a local level.

The management of the farm business programs: these are short courses in co-operation with the federal government—sort of retraining. There were more than 20,000 training days last year. This year the program is continuing at about the same number of locations, 190 locations, across Ontario. These are run through our colleges of agricultural technology in conjunction with some of the community colleges. We anticipate about 23,000 training days this year, up slightly.

The last two figures are the number of analyses that have been conducted this past year in our agricultural laboratory services; that is what was the old pesticide lab. Most of those 21,000 will

be in the pesticide area. The vet lab ones are the number of analyses conducted at the six veterinary laboratories across Ontario.

The last slide, just a quick rundown. There are two items here. The first—and I will not take much time—is the number of the educational research and service facilities that have been built or are in the process of construction across the province. The vet lab at Brighton will be finished next spring. The display arena at Kemptville to enhance the extension and education programs will be completed in the spring. The new ram test station at Kemptville will be finished in a couple of weeks.

I anticipate we will move into the education building at New Liskeard in January. Part of the seed potato upgrading and distribution unit at New Liskeard is completed and operating now. All the equipment will be in by the end of the year.

The farm machinery building at Alfred is under construction. The residence renovation at Centralia, a fairly major renovation, is now completed. The farm machinery building at Ridgetown is completed. The library renovation—we have not had a good library at Ridgetown for some time and this will give the students a much improved facility—is currently under construction.

The storage research lab at Vineland is just completed and will open on November 6, 1984.

The greenhouse complex at Vineland is progressing well and will soon be finished. The field station lab at Cambridge is completed and we opened that last August.

The last item I want to refer to is what we call our consumer information centre, or our service to consumers. This unit is located at 801 Bay Street. It has been operating since early in the year.

The intent here is to have staff who will answer questions on foods, nutrition, and horticulture and agriculture in general, primarily from urban people. We hope to give urban consumers at least some understanding of Ontario's agrifood industry. All of our ministry publications are available from this unit or centre. It is sort of a one-stop inquiry centre for urban people.

The figures here are for one month this past summer, to give you an idea of the type of involvement we had. In the one month, I believe it was June, we had almost 1,200 telephone inquiries and 419 people stopped in at the unit for information. We received 85 letters requesting information. We filled more than 1,000 requests for publications. That ends my presentation.

Mr. Chairman: Could we at this time recess for lunch and be back at 2 p.m.? The Liberal critic will be kicking off then.

The committee recessed at 12:30 p.m.

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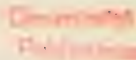
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 McLean, A. K.; Chairman (Simcoe East PC)
 Miller, G. I. (Haldimand-Norfolk L)
 Riddell, J. K. (Huron-Middlesex L)
 Swart, M. L. (Welland-Thorold NDP)
 Timbrell, Hon. D. R., Minister of Agriculture and Food (Don Mills PC)

From the Ministry of Agriculture and Food:

Doyle, W. V., Assistant Deputy Minister, Marketing and Development
 Galloway, J. I., Policy Adviser, Strategic Planning Branch, Finance and Policy
 Rennie, Dr. J. C., Assistant Deputy Minister, Technology and Field Services
 Sewell, R., Assistant Deputy Minister, Finance and Policy



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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, October 31, 1984

The committee resumed at 2:02 p.m. in committee room 1.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD (continued)

Mr. Chairman: We will move on with the estimates of the Ministry of Agriculture and Food. I believe the critic for the Liberal Party, the member for Huron-Middlesex (Mr. Riddell), is next on the list.

Hon. Mr. Timbrell: Mr. Chairman, before you start, I have copies of what Mr. Sewell presented this morning, if you would like. I also have copies of information pieces on the farm tax reduction program, the farm assistance program, the beginning farmer assistance program and young farmer credits. Please just help yourselves to them.

Mr. Chairman: You have a lot of programs.

Hon. Mr. Timbrell: I did not bring them all.

Mr. Riddell: Mr. Chairman, before I get into my remarks I want to say that I did not make a point of order lightheartedly this morning, despite the rather different views that my colleague the critic for the New Democratic Party had on the subject, both privately and publicly. I believe that having assistant deputy ministers make statements after a rather lengthy statement by the minister is certainly a departure from the norm. I checked it out at noon hour.

I also want to say that the Ministry of Energy estimates got started this morning at exactly the same time we started the Ministry of Agriculture and Food estimates, and the minister's statement and both opposition critics' statements were completed by 12:30, so maybe I can see through the tactics here. It is a consumption of time, and I really think the time would be better utilized in putting questions to the minister about real points of concern.

The minister leaves me no option but to make a rather lengthy statement myself, after which I will call upon the researcher of the Liberal caucus to stand on points that I fail to make, realizing, of course, that the researcher is very apt to become the next Deputy Minister of Agriculture and Food after the next election.

Mr. Hennessy: Do not bet your farm on it.

Mr. Riddell: Nice to have you here, Mickey.

Mr. Gillies: He is going to become a Tory.

Mr. Swart: Are you going to cross the floor?

Mr. Chairman: Just ignore the interjections.

Mr. Riddell: As I listened to the minister's dissertation this morning, my mind took me back to my English literature classes in secondary school. I seem to recall one of the players in one of the plays we were studying beginning his part with "Words, words, words." I took a look at you and I thought if you were to don a wig and put on knickerbockers, you could become Hamlet the second.

Mr. Hennessy: What about your leader?

Hon. Mr. Timbrell: Whoever fed you these lines has the characters mixed up. Knickerbockers? Anyway, okay.

Mr. Riddell: No, I forget the name of the play, but I think you would make a real Shakespearean actor—

Hon. Mr. Timbrell: Hamlet in knickerbockers?

Mr. Riddell: He wore that type of thing, the short pants with the socks that come up over the top.

Mr. Chairman: If I may have your attention, with regard to you indicating to us that the minister was wasting time, what you are doing is not getting to any of the major points I understood you wanted to bring out. Carry on.

Mr. Riddell: Thank you for your contribution, Mr. Chairman. Whether that is within your jurisdiction, I have no idea, but anyway—

Mr. Swart: I have. I do not think it is.

Mr. Riddell: We will let it go for now.

This will likely be the last opportunity we will have of discussing the agricultural estimates with you presiding over the Ministry of Agriculture and Food.

Mr. Swart: Larry says he is going to reappoint him.

Mr. Riddell: Whatever future lies ahead of you is anyone's guess, but I want to take this opportunity to wish you all the best in the goals you are striving for.

From my observations and discussions with people in rural Ontario there is no doubt you have the support of the agricultural community, not because of your advocacy role—or shall I say lack of it—for farmers, but because the agricultural community feels it is time we had a Premier in this province who had at least a slight feel for the agricultural industry of this province.

Hon. Mr. Timbrell: I was going to use that in my literature until you got to that point.

Mr. Riddell: Obviously, the leadership campaign is well under way. It is unfortunate however, that, for lack of better terminology, the minister's self-congratulatory wide sweep of the brush does not paint the real scene in rural Ontario.

I do not want to leave the impression that the minister has not spearheaded some good programs. A good example is the financial program for farmers in the marketing of their produce. You alluded to some other excellent programs that started under your supervision, but much needs to be done to keep the farm gate open and to keep the weeds away from the door. The minister knows far too many farmers are facing hardships due to a combination of high interest rates, low commodity prices and falling land values.

A recent report of the Canadian Bankers' Association states:

"Individual producers, especially those carrying more than their share of the debt load, will be faced with increased financial difficulties. Certainly the capacity of these individuals to weather further periods of declining real income is in serious jeopardy. Many bankers who have been supporting farmers through tough economic times are facing hard decisions about how long they can keep farmers in business when they are losing money."

These are all direct quotes from the report of the Canadian Bankers' Association.

2:10 p.m.

I do not know whether the minister had an opportunity to peruse today's *Globe and Mail*, but there is an article entitled, "Plight of Young Farmers is Dire, Survey Says." This was a survey released recently by the Farm Credit Corp. and it states that 17 per cent of Canadian farmers are suffering severe financial stress.

A spokesman for the FCC says that "he does not know how long farmers who are fighting for survival in a time of low commodity prices, high interest rates and debts that often exceed \$500,000 can stay in the business unless they

receive some help from financial institutions in delaying loan payments."

These articles have not been uncommon during the past few years and I think we are going to read far more of the same kind of article. Although the minister feels his ministry has addressed many of the problems within the agriculture industry, we still have some very real problems out there, which certainly require more attention than this ministry or this government has given them.

I want to be somewhat general in my beginning remarks, and then later on I intend to become more specific. I am pleased to have this opportunity to discuss with the minister my concerns about the future of agriculture. As we round out this year and head into 1985 and as we see the same problems of the past few years continuing, if not worsening, I think it is time that we must really examine the role and structure that agriculture should have in this province.

As a farmer I have the responsibility to wonder and worry about next year, and as the Agriculture critic for the Ontario Liberal Party in the provincial Legislature I have the responsibility to investigate the problem, to seek solutions and to push for their implementation.

As a member of the official opposition at Queen's Park I have obvious limitations on my ability to legislate into law the policies that I feel are required, but with the assistance and support of my fellow Liberal members of the provincial parliament we can work to bring important issues into public focus, put pressure on government inaction, and even provoke government to legislate.

As a member of the party of alternatives for the future of Ontario I have had the task of putting together a co-ordinated blueprint of ideas for all fronts of agriculture. The emphasis in these ideas is not to produce quick fixes, to entwine together limited-view assistance programs here and there, but to reflect an attitude towards ensuring the maintenance and viability of agriculture over the long haul and to reflect the importance of this priority.

Agriculture should not have to prove itself by years of economic hardship to be in need of government and public attention. Agriculture should not have to prove itself to be a priority in the face of increasing population and shrinking acres of farm land. With alarming increases in foreign nonresident ownership, farming should not have to prove itself relevant to ideals of economic nationalism.

With so many past gains in efficiency and productivity, agriculture should not have to prove itself relevant to the computer technology focus of our current investments in the future. With our concern for small business, the family farm should not have to prove itself of value in the face of the growth of less acre-productive corporate farms.

If we look at some of the problematic symptoms in agriculture today, we can see how the industry is threatened by many issues. Looking first at basic economics, farmers' net incomes have barely been able to hold their own for the past number of years, let alone increase at any rate comparable to that of most other sectors of the economy.

This is exemplified by some simple year-to-year comparisons. In 1980 the realized net income for Ontario farmers decreased by almost 30 per cent. Of course, the farm markets have always been characterized by periodic ups and downs, but in the succeeding years there have been no revitalizing major upswings to balance off generally continually depressed markets.

In 1983 Ontario's net farm incomes were estimated to be at 1981 levels. In 1984 it looks again as if the year-end farm-gate prices will be at depressed levels when one compares them to what a reasonable return on the year's investment should produce.

It is also important to keep in mind that, too often, any upward price trends we do see are not due to market forces within our economy, but to accidents abroad that subsequently affect our markets. For example, past temporary price jumps in the pork industry were because of foot-and-mouth disease quarantines in European ports and not because of our own market demand levels. This type of short-term relief prompts further increases in domestic supply, which then serve to worsen price conditions in local markets when the external demand inevitably falls off again.

Of course, net incomes are not the only factor. High interest rates, in many instances, deliver the most devastating blows. Low farm-gate prices alone may keep a farm operating, although struggling, but high interest rates can snowball the farmer's credit position until the farmer goes under. The high farm bankruptcy figures that have disheartened all farmers in recent years do not document the reality that, according to Ontario Federation of Agriculture estimates, for every farmer who goes bankrupt, 10 more go out of business voluntarily.

These figures do not include the important factor of the large number of farmers who have become afraid to finance necessary improvements to their operations and have been making do with worn-out, outdated, inefficient equipment. Resulting adverse effects on the whole agricultural support industries are slowly becoming evident as farmers stop buying new machinery. Between 1971 and 1983, the total outstanding farm debt load in Ontario has increased from \$1 billion to \$5 billion, an amount equal to 1983's total gross income for all Ontario farm production.

It is often argued that the provincial government is not responsible for dictating such factors as interest rates and farm-gate prices. It is, however, responsible for two things: first, for maintaining the agricultural industry in Ontario; and second, for relieving some of the pain currently burdened on Ontario farmers.

To this end, the Ontario Liberal Party has committed itself to the policy that spending on agriculture should receive a substantially increased share of the provincial budget, with an eye to easing some of the farmer's debt load pain, helping cut energy costs and seeking to expand our farm products market by making our products more competitive against other markets.

The initiative for action is quite soundly based. The old complaint that only bad managers are in trouble is disproven as reports surface documenting the plights of even the best managers and the most efficient producers. The old symbol of the family farm, the most efficient per acre producer of the food we eat, is dying out as corporations, land speculators and hobby farmers buy up faltering farms.

As these burdens on the farmers increase, they are increasingly forced to overburden the land. In order to meet their economic requirements, farmers have had to put such a continual damaging pressure on the soil in their fields that the resulting accelerating erosion and degradation of Ontario's soil resource base has, in itself, become a major threat to the long-range security of agriculture.

The situation has worsened to the point where erosion costs Ontario farmers \$75 million in yield reductions. In order to stem this problem, our party has pushed for increasing research funding to produce a more accurate picture of where and how erosion is occurring and what farm practices can be implemented to limit or prevent damage. We have also pushed for the creation of soil conservation districts to be

responsible for establishing and administering erosion control projects and preventive measures and for prescribing land use regulations in the interest of the prevention and control of erosion.

2:20 p.m.

What may be the most unacceptable factor about the problems facing farmers is that often, when economic conditions have forced them out of business, the reality arises that nonresident foreign interests have taken over ownership. The actual amount of Ontario farm land currently under foreign ownership remains vague, but in independent studies undertaken within a single county, it is apparent that government estimates are dramatically too low, leading one to conclude that provincial government figure of 165,476 acres of foreign-owned land is similarly below the actual amount.

The government's sluggish reaction to calls for laws registering foreign ownership has produced limited, easily evaded legislation that has resulted in foreign investors setting up numbered companies to hide their ownership and even sidestep the 20 per cent land transfer tax.

A major problem in getting action is that the government tends not to acknowledge a problem even exists. It will not act until it becomes painfully obvious to all that a situation no longer can be tolerated and is so controversial the government must be seen to be doing something.

The problem of foreign ownership of land is an issue I have been pushing to resolve for years. The Ontario Liberal Party would pass legislation limiting nonresident foreign ownership of agricultural land, which I might remind the minister has been done in practically every other province in Canada. It is certainly nothing new.

The reasons lie in the long-term effects on rural communities resulting from foreign ownership. Foreign investors can easily outbid local young farmers trying to enter the industry. Absentee ownership leads to a loss of population in the countryside, the erosion of traditional farming communities and the breakdown of social ties. It makes good sense not to want our agricultural lands controlled by nonresidents to the same extent as other areas of our resource economy.

In addition to the paradox of the problem of foreign ownership in one of our primary industries, we are also increasingly faced with the illogical restrictions on farm operations sought by nonfarm residents in rural areas. I am sure you have all seen situations in which nonfarm neighbours protest against the noise, dust and odours of normal farming practices. In some

instances, a nuisance lawsuit has been lodged against the farmer, resulting in a court decision forcing the farmer to stop farming activities that have disturbed the neighbours.

One of the current private members' bills in the Legislature this fall is the Right to Farm Act, which I have introduced. It proposes to ensure that normal farming practices cannot be subject to these nuisance lawsuits if a farm was established before the land around it changed ownership to nonfarm residents.

This is simply a commonsense piece of legislation, nothing complex or costly. It does reflect a concern for the priorities we should be giving agriculture, but which are generally lacking in the atmosphere in which today's agriculture is forced to survive. Agriculture is one of our primary industries, but it does not seem to be getting the respect it deserves.

I have tried to delve quickly into some of the problems facing farmers—the interest rate crisis, farm-gate prices, erosion of land and foreign ownership. It is obvious that all these pieces are related to and compound one another. One must question whether the existence of these threats can build the required positive attitude towards the importance of farming and its contributions to provincial society. We must consider that the continuation of problems fosters a negative attitude reflecting a second-class industry always having to prove its hardships before arousing any awareness of its needs.

Agriculture should not have to prove itself. The focus should not be on the specific hardships of individual farmers. Instead, as a province we should consider the vital role of agriculture as a whole and build an attitude that fosters respect in ensuring it is able to maintain a priority of productivity for Ontario.

Those are the general comments I wanted to make, and now I want to be a little more specific. First, I want to talk about the present financial situation of the agricultural industry in Ontario.

Once again, here we are trying to convince the Minister of Agriculture and Food that all is not well on the farm front. We must try to convince him that public support for agriculture is needed if the consumers of this province want a continuation of high-quality food at reasonable prices.

Farm bankruptcies remain at an all-time high. Let me go back to the year 1979 when there were 64 farm bankruptcies in this province. In 1980 there were 122; in 1981 there were 140; in 1982 there were 176; in 1983 there were 165 and from January to September 1984 there were 118. From

January to September 1983 there were 121 farm bankruptcies.

Employment figures in Ontario's agricultural industry have declined drastically from 153,000 in September 1983 to 125,000 in September 1984. Between 1971 and 1983 total farm debt in Ontario increased from \$1.293 billion to \$5.037 billion. The government's commitment of \$335 million for the whole agricultural industry, some one per cent of budget expenditures, pales in light of the \$583 million that will be collected from tobacco tax alone.

While Quebec spends \$10,267 per farmer, Ontario spends only \$4,063. Moreover, while our provincial agricultural budget amounts to 1.2 per cent of the total budget, Quebec spends 1.9 per cent of its budget on agriculture, Alberta 2.1 per cent and Saskatchewan 2.6 per cent.

Ontario agriculture relies almost entirely on credit provided by the federal government and private lending institutions. It is the only province that does not offer a long-term credit program. The minister will be aware that on February 7, 1982, the former Deputy Minister of Agriculture and Food told Bruce County farmers the province would seriously consider setting up its own farm bank if farm credit problems became chronic and persisted for more than a year.

That is exactly what has happened. The situation shows no signs of improvement. I would like the minister to tell us what happened to this idea and why this promise was never acted on.

The Ontario farm adjustment assistance program will expire this December. I would like the minister to tell us whether the program will be extended for another year. I would like him to tell us whether he intends to make this program more worth while by lowering the interest rate on the rebate subsidy portion down to 10 per cent from the current 12 per cent. I ask him to announce the extension of this program now instead of waiting to announce it at the annual meeting of the Ontario Federation of Agriculture in November, as he usually does.

The OFA recently pointed out to the minister that the latest Farm Credit Corp. survey shows that one third of Canadian farmers with high debt load and low equities in their farming operations produced half of Canada's food last year. They have also pointed out that the first priority for the success of the agricultural industry is long-term affordable credit.

Farm operating expenses continue to increase. The ministry's latest forecasts show that 1984

farm operating expenses and depreciation charges are to increase five per cent from last year; feed costs will be up by nine per cent; interest on indebtedness up by 8.4 per cent to \$547 million; fertilizer prices up 14 per cent; machinery expenses up by seven per cent; pesticides up by six per cent; and seed expenditures up by seven per cent.

2:30 p.m.

At the same time, realized net incomes are projected to be up by 12 per cent from 1981, or an average of four per cent per year. Also at the same time, our food imports into Ontario increased from \$2.3 billion in 1982 to \$2.5 billion in 1983. Our food deficit stands at more than \$900 million, and more than half those imports are items that can be grown in Ontario.

Not only are farmers the victims of high interest rates, but they have more recently become the victims of the greatest decline in the value of real land in more than a decade. The for-sale signs around the countryside are looking pretty weather-beaten, because no one is interested in getting into a losing business. Many farmers are unable to get financing because of the reduced value of their farms. Farm land values could go even lower if farmers do not receive some financial assistance.

The minister will likely respond by saying, "Is it not a good thing that we have nonresident foreign investors who are prepared to buy the land, since our own farmers cannot buy it?"

It is a sad commentary that our own farmers are in such a position that they are unable to buy the land and they have to put their land up for sale, hoping somebody from another country will come along and pay the money for the land. We should be seeing that our farmers can make a decent income on the land. The minister can be assured that, if that happened, there would be very few for-sale signs on the land throughout the various parts of this province.

I want to deal with some quotable quotes on Ontario's agricultural industry. I do not mean this with any disrespect to the minister. These are not my words that I am going to be using. They are words that have been used by others in the agricultural community. This is what spokesmen for the agricultural industry have said about the government's lack of commitment to agriculture and the outlook for this industry.

The Ontario Federation of Agriculture told the government at its annual presentation last year, "We have been annually meeting with you for several years and, in all that time, solutions to the

basic questions of income and financing have never been realized."

Hon. Mr. Timbrell: What year was that? Was it 1983?

Mr. Riddell: I think it was 1983—last year.

Hon. Mr. Timbrell: The presentation for 1984 was a little different.

Mr. Riddell: Perhaps I have something here about 1984.

Hon. Mr. Timbrell: Keep reading.

Mr. Riddell: The OFA summarized this government's agriculture policies at its annual convention last November when it stated: "We can no longer accept that. There are too many farmers who increasingly are seeing their financial returns deteriorating. There is too much suffering, humiliation and desperation among our producers. Government has a responsibility to be a safety net in our society. We had expected to at least hear some solid statements of intent and even possibly some answers over the past few days. They have not been forthcoming. We are disappointed and angry. We need and want answers now. The time for complacency is past."

Hon. Mr. Timbrell: Who was that?

Mr. Riddell: That was the OFA when it summarized the government's agricultural policies at its annual convention last November.

Following the provincial budget of May 15, the president of the OFA stated: "The budget blatantly ignores the immediate crucial needs of the farm sector. This budget has no news as far as agriculture is concerned." He went on to state that the government's so-called commitment had "totally ignored the urgent needs of a growing group of farmers. They are in severe financial difficulty because of present economic conditions."

The frustrations Ontario farmers have felt, as helpless victims falling deeper and deeper into debt with no real commitments from the government, was manifest in the resolution passed unanimously by the directors of the Ontario Federation of Agriculture on April 18, 1984, asking for the minister's resignation and for that of the Treasurer (Mr. Grossman).

I think you can be thankful the president of the OFA, who tends to lean your way politically, bailed you out and brought a more modest measure to the following meeting, after your resignation was requested.

Hon. Mr. Timbrell: After none of the commodity organizations would support the resolution.

Mr. Riddell: That is your opinion.

Hon. Mr. Timbrell: That is the truth; ask them.

Mr. Harris: That is quoted now.

Mr. Riddell: The growing dissatisfaction of Ontario farmers with your policies resulted in the demonstration of some 150 members of the OFA at Queen's Park on June 19 to seek some form of financial assistance to keep farmers in production.

The OFA brief to cabinet in September of this year stated that "the government's programs are not enough," to be of much use to farmers. The president of the Christian Farmers Federation of Agriculture said just recently: "We are becoming more and more aware that the pinch is a lot harder and more widespread than we had first thought. It isn't over at all."

Mark Davis, who has one of the largest beef feedlots in Bruce county and who, by the way, is the son of Harvey Davis, who contested the second-last election on the Tory ticket, stated that the minister "is the worst thing to happen to agriculture since mastitis." "Again, I am quoting; these are not my words. Then he went on to say, "He doesn't have a grasp of what's going on and he doesn't seem to care." That is coming from a very strong Tory.

Mr. Harris: Why do you keep associating yourself with those strong Tories? Do you not want to be associated with the Liberals? You keep reminding us—

Mr. Riddell: No. I do not want the minister to think I am coining these phrases.

Mr. Hennessy: You are not capable of it.

Mr. Riddell: I simply want him to know—

Mr. Harris: You keep dissociating yourself from them.

Mr. Elston: He is very kind to the minister; but he is more for the people.

Mr. Chairman: When the people are not spoken for, Jack's right there.

Mr. Riddell: I simply want the minister to know that these are definite quotes coming from various segments of the agricultural community.

Mr. Hennessy: Not from you, Jack.

Mr. Riddell: Well, I have shown my respect for the minister. I have told him—and if I did not, I intend to tell him—that I think he is a front-runner in this leadership race. If I were a Tory and a voting delegate—

Mr. Hennessy: If you were.

Mr. Riddell:—going to the meeting, I would likely be supporting the minister—

Hon. Mr. Timbrell: Strike that from the record.

Mr. Riddell: —not because of his advocacy role for the farmers, but because he has served in the agricultural field and we do need a Premier who has some inkling of what the agricultural community is all about.

Mr. Hennessy: Is that a quote?

Mr. Riddell: That is a direct quote from me.

Hon. Mr. Timbrell: I do not want that distributed.

Mr. Riddell: Ontario farmers have had over two and one half years of excuses from the minister about his inability to provide financial assistance to producers caught in the ongoing farm financial squeeze, on the basis that it would jeopardize an illusive tripartite stabilization program.

Hon. Mr. Timbrell: It is coming in on January 1.

Mr. Elston: Something is coming in on January 1.

Mr. Riddell: We have heard that now for—what is it, three years? Certainly for over two years we have heard you talk about a tripartite stabilization program. Every time we got up to ask for some kind of relief for the red meat industry, your words were, and I think I can almost quote them verbatim, “Any assistance I gave to the red meat industry would appear to be bargaining in bad faith for the implementation of a tripartite stabilization program.”

That is the type of answer we got every time we tried to insist that some kind of assistance should be forthcoming to the red meat industry. As recently as July 8, 1984, in reply to my question, you stated, “We can and will finalize the agreement at the July 23, 24 and 25 meeting of the ministers of agriculture.” We are still waiting.

2:40 p.m.

The president of the Canadian Cattlemen's Association, Ron Oswald, stated, “There is a definite crisis out there.” People have had a couple of years of assessing the situation and they see there is no point in going on. Yet we still do not have a program. Instead, we are given a promise of a possible tripartite program in January of this year. Perhaps the minister can tell us if the payments in such a program are to be split 50-50, two thirds or one third.

I would like to add a little bit about the economic outlook. The agricultural industry in this province is truly facing a crisis, compounded

by low commodity prices. Unfortunately, the provincial government is doing less than all other Canadian provinces in providing financial assistance to this most important industry.

Most farm leaders anticipate major increases in the number of farm bankruptcies and foreclosures, and general gloom and doom for the rural economy. The bankruptcy statistics offer an incomplete picture of farm financial difficulties, since they do not include foreclosures, voluntary liquidation, etc. However, they do show that government programs have done little to reverse the trend.

The price of corn is currently \$3.20 per bushel, down from \$3.84 in 1980. Wheat is \$3.76 per bushel, down from \$4.47 in 1980. Soybeans are \$7.41 per bushel, down from \$8.53 in 1980. White beans are down from \$28.50 per hundred-weight in 1980 to \$23.08 at present.

All these prices are below the cost of production as determined by the Ministry of Agriculture and Food.

If we look at red meat prices at the end of September, we see that slaughter steers, at \$79.80 average per hundredweight, are below the 1980 levels of \$80.74. Pork, at \$75.60 per hundredweight, is below the 1982 levels of \$83.32 and well below the cost of production of \$85.98 per farrow to finish. The average price of lambs, at \$80.50 per hundredweight, was below the 1980 levels of \$81.54.

Producers of most major commodities are in financial difficulties. It will take a substantially greater injection of financial assistance, along with imaginative restructuring of debts by many producers, if the rising trend of bankruptcies is to be reversed.

A recent Farm Credit Corp. study clearly shows that it is indeed the better managers in all of agriculture who are now facing severe problems. Many farmers face financial ruin because the price of their products cannot cover their debt payments, while the value of their land and buildings is falling. In the 1970s bankers loaned money based on the rising value of land. With the falling land values many bankers will be reconsidering keeping these farmers in business when they are losing money.

I just want to talk a bit about some of programs that other provinces have, to try to convince this minister that the programs he talked about in his statement still do not come up to the level of assistance given to the farmers in the other provinces.

Let me start with the Quebec beef stabilization plan. For finished cattle the support price was

\$93.57 per hundredweight. The market price at the time was \$73.67; the payout, \$19.90. They paid out \$13 million. The farmer paid a premium of \$45 per head; the government paid \$90.

In the cow-calf program, the support per hundredweight was \$135.25; the market price was \$82.38, the payout \$52.87. The support was \$191.19 per cow; the government paid out \$21 million in the cow-calf program alone. The farmer's premium was \$40 a head; the government's premium \$80 a head.

For what they call grain calves, mostly for dairy, up to 800 pounds the support price per hundredweight was \$97.39; the market price \$74.05, the payout \$23.34. The government paid out \$5.26 million; the farmer's premium was \$24 a head, the government premium \$48.

A new incentive program for beef cattle was announced in November 1983 to increase the cow herd. It is to run for three years at a cost of \$10 million. Farmers purchasing beef cows are eligible for a three-year interest subsidy of up to \$750 per head for up to 50 head. Maximum total subsidy is therefore \$37,500. Moreover, if cows are enrolled in a provincial record-of-performance program they will each be eligible for a grant of \$100. Farmers can also get a subsidy payment of \$600 per head for purchasing a maximum of two high-quality beef bulls.

If the minister took time to read the last edition of the Canadian Cattleman under the heading "Marketing Popular Calves," he would have seen reference made to a cow-calf operator by the name of Bolduc, whose entire cow herd is enrolled on Quebec's cow-calf stabilization program. Premiums per cow totalled \$30 for 1983.

Last year, the stabilization formula indicated a spread between the the cost of production and average market return. The cost of producing a wean calf was estimated to be \$1.34 a pound, whereas the average market returns in Quebec were 82 cents a pound. After the premium was deducted, the difference amounted to \$160 per cow.

That meant that Luc Bolduc received \$15,600 from the provincial cow-calf stabilization program. In addition, he received \$2,500 from the heifer replacement program and \$1,300 for wintering costs; the wintering program ends this year. The net total of Quebec government support was \$19,400 for Luc Bolduc's 1983 operating year.

Is it any wonder the producers in this province can no longer compete? I am told that a bulk of the cattle sold in the northern sales have gone to

Quebec and that our producers cannot compete with the Americans for western calves because of the price and the lack of any kind of assistance in this province.

When I talked to Robert Chapple, who is the former president of the Canadian Cattlemen's Association, at your conference here just the other day, he told me that most of the feedlots in southwestern Ontario are sitting empty. One has to wonder what is going to happen to the beef industry in this province.

If you do not believe me, ask Jim McGuigan, because Jim also talked to Mr. Chapple. He says it is astounding the number of feedlots in Essex and Kent and other counties that are sitting empty or only running at part capacity.

Let me talk about the Manitoba beef stabilization plan. The programs have three levels of support based on the contributions of the farmers. Premiums are based on the gross market value of the animal. Support levels are recalculated every six months.

2:50 p.m.

On level 1, slaughter animals were \$83.80. For calves under 600 pounds, the support was \$83.80, the average market price \$85.24; for yearlings over 600 pounds, \$78.56 and \$81.97.

Level 2, slaughter animals, \$86.93; calves under 600 pounds, support \$89.03, average market price \$85.24; support price, yearlings over 600 pounds, \$81.97.

Level 3, slaughter animals, \$89.03; support price \$94.27, average market price \$85.24; the support price for yearlings over 600 pounds \$86.93, the price \$81.97.

In the Saskatchewan beef stabilization plan, the cow-calf program is recalculated quarterly. At December 31, 1983, support was \$85.75 per hundredweight; feeder cattle, \$78.43 per hundredweight. The total payout for the cow-calf program has been about \$51 million since the program was introduced in January 1982; \$15 million was collected in premiums. In the feeder cattle plan the figure is \$5.4 million since October 1982, with \$2.3 million in premiums.

The new livestock investment tax credit program was introduced for Saskatchewan farmers in the 1984 budget. This pays \$25 per head for cattle, \$3 for hogs and \$2 for lambs. For every 100 head of cattle marketed, a farmer or investor in Saskatchewan will have his income tax reduced by approximately \$2,500 per year. To further strengthen the livestock industry, the Saskatchewan government guarantees operating loans for feedlot and custom-finishing operations.

These programs were all introduced at a time when the Ontario Minister of Agriculture and Food was saying he could not support the red meat industry with subsidies as it would appear to be bargaining in bad faith for a tripartite stabilization program.

Let us talk about that. Proposals to cut losses through income stabilization will not provide much help to Ontario farmers. Their debts are so great, their land values are dropping by up to 40 per cent and prices for commodities are at such low levels that it will be of very limited assistance. What is needed is a program to reduce their debt loads.

A nonincentive stabilization program can only stabilize prices at a level which causes most producers to lose money. In other words, it is my opinion that such a program really stabilizes poverty.

If my colleague, the member for Kent-Elgin (Mr. McGuigan), was here, he could elaborate on that, because he is fully convinced that stabilization programs do exactly that.

In the meantime, the minister has frittered away two and a half years, during which he dismissed any type of assistance since it would jeopardize a nonexistent tripartite argument; and we are still hearing about a stabilization program.

It is not that we do not trust the minister. All we can say is we will believe it when we see it. Whether it will do that much good when it comes remains to be seen. I have not heard too many farmers say this is going to be their salvation.

Mr. Elston: Except the minister.

Mr. Riddell: Let us talk a little bit about the New Brunswick hog program. For pork producers, a portion of long-term funds, including Farm Credit Corp. and provincial government loans, will be set aside at zero interest until the market price for hogs exceeds the provincial stabilization price by \$5 per hundred.

To be eligible for this program, for farrow to finish, debt in excess of \$18.50 per sow will be set aside; for farrow to weaner, debt in excess of \$10.50 per sow; weaner to market hog, debt in excess of \$50 per hog.

One hundred and twenty to 125 producers market over 95 per cent of total production. The present stabilization support price is about \$81 per hundredweight, while the market prices are \$70 to \$75. In a previous program, for interest assistance on operating loans, only 52 producers were eligible and about 30 received most of the funds.

This program is mainly aimed at producers in the northwest part of the province who entered

production in the late 1970s with virtually zero equity, with the assistance of integrators. These people carry debt loads in the range of \$3,000 to \$4,000 per sow and have 100- to 150-sow operations.

Before I get into the actions I feel are required by the minister, I want to deal a bit with soil conservation. We heard this morning that you have appointed 14 soil conservationists. That is a step in the right direction, but I still do not believe we are addressing the real problems.

A major threat to the security of Ontario agriculture is the accelerating erosion and degradation of our soil resources. Crop land erosion, yield reduction, nutrient and pesticide losses alone approximate \$75 million in losses annually for Ontario farmers, according to a recent report. The senate committee report, *Soil at Risk: Canada's Eroding Future*, released in July of this year, stated that soil degradation is a national crisis. For example, a loss of up to 40 per cent in corn yield has occurred in southwestern Ontario.

The Minister of Agriculture and Food has totally failed to come forward with a meaningful program to address this serious issue. The Ontario Federation of Agriculture has stated in its annual presentation to you, "It falls far short of the needs of the agriculture industry."

The soil conservation and environmental protection assistance program is woefully underfunded and fails to address the problem. Last year, John Hartt, described as one of Oxford county's pioneers in soil conservation, speaking at a Ridgetown College soil management conference, said: "The ministry doesn't have a program. They are totally disorganized."

Programs must be introduced which reward farmers for soil conservation practices and help them maintain cash flow while converting to a soil conserving system of farming.

The increasing trend to land rental in Ontario greatly augments this problem. Twenty-five per cent of Ontario farm land is leased and the proportion is climbing. If you talk to your own conservation authorities, they will tell you that the greatest erosion is occurring on land that is rented.

In the short term, farmers make the most money from the various practices that cause the most soil erosion, such as continuous planting of a row crop such as corn or soybeans, and fall tillage with a mouldboard plough.

Young farmers with high debts have no choice but to operate this way in order to get enough money to pay their bills. Farmers would adopt the principles of soil conservation districts if the

proper leadership, education and funding were provided by the Ministry of Agriculture and Food.

When we get to that vote in the estimates, I am sure that my colleague, Jim McGuigan, will want to enter into the discussions, because he is deeply concerned. As a matter of fact, in the estimates of the Resources Development secretariat last night, he spent a good deal of time talking about this very subject.

Hon. Mr. Timbrell: He is deeply committed to this.

Mr. Riddell: Yes, he is; and I am hoping he will have a chance to come into our estimates to pursue this when we get to the vote.

This is the action we believe is required by the minister. The following is a list of concerns which my colleagues and I would like to outline briefly and on which I would like the minister's comments.

3 p.m.

I would like him to make some remarks on the status of the demand for financial assistance to United Co-operatives of Ontario. Will that assistance be forthcoming; under what conditions and of what nature?

Since 1982, the minister has been promising a new food land preservation policy to be incorporated under the Planning Act. Where is this policy statement? Will the minister release the commission reports on beef and sheep marketing? He has had those reports for some time. Will the ministry consult with the industry before making changes to the marketing system?

Not too long ago, I drew to the minister's attention a report by the Ontario Hereford Association, I believe it was, which has one or two concerns about any marketing system that he might adopt. I know he will take those into serious consideration.

What major initiatives does the minister intend to take in order to reduce food imports into this province, which have grown from \$2.3 billion in 1982 to \$2.5 billion in 1983? The values of vegetable imports into Ontario in 1980 were as follows. While I am going down the list, I want the minister to be aware we can produce most, if not all, of these products right here.

These are some 1980 values of imports: field tomatoes, \$25,114,855; apples, \$11,719,739; grapes, \$54,278,929; strawberries, \$7,877,634; cabbage, \$2,015,292; cauliflower, \$2,915,929; broccoli, \$5,732,000; Brussels sprouts, \$1,372,104; pears, \$5,785,598; potatoes, \$6,772,280; cantaloupes, \$8,082,496; asparagus, \$2,161,212; plums, \$8,327,273; for a total

import value of all those products—products we can grow in this country—of \$142,155,341.

Hon. Mr. Timbrell: What was the first one?

Mr. Riddell: Field tomatoes. Do you want the figures?

Hon. Mr. Timbrell: No, just the commodities.

Mr. Riddell: Field tomatoes, apples, grapes, strawberries, cabbage, cauliflower—

Hon. Mr. Timbrell: Sorry, I missed one. Thank you.

Mr. Riddell: There is tremendous potential in this province for growing a lot more produce, with this value totalling more than \$142 million.

Will the minister support right-to-farm legislation in this province, which the Ontario Federation of Agriculture has asked for and which would protect farming operations from nuisance lawsuits? There are 30 states in the US which currently have such legislation.

By the way, I will be speaking on this bill tomorrow, if the emergency debate is not allowed to go through. Will you be present?

Hon. Mr. Timbrell: I think so, but I am not sure. I do not have tomorrow's schedule with me.

Mr. Riddell: I hope you will, because I really think it is time we had a bill of rights. Peter Hannam told the delegates at one of the last meetings of the Ontario Federation of Agriculture—I believe he was still president at the time—that the police actually came out and told him to turn off his corn dryers because the noise was disturbing people living in the area. He had a bit of a fight on his hands to keep them going.

Can you imagine it? Here is a farmer who was there before the urban people came to enjoy a country environment, and he was told by the Ontario Provincial Police to shut down the dryers because those people had decided to complain. This is why I think it is time we had a farmer's bill of rights.

Will the minister amend the crop insurance program to allow farmers who have crops planted over several parcels of land to buy separate coverage for each parcel? Will the minister appoint a northern representative on the Crop Insurance Commission of Ontario, as has been requested by northern farmers?

Will the minister introduce legislation protecting purchasers of defective farm implements? Will the minister finance a study to examine the feasibility of the establishment of a meat packing plant in northern and eastern Ontario? Will the minister support the conservation of wetlands

through an extension of the 60 per cent rebate on such lands?

Hon. Mr. Timbrell: Do you have this list written somewhere? I cannot keep up with you.

Mr. Riddell: Yes, I have.

Will the minister provide day care centres and emergency drop-in centres for children in rural communities? Will the minister undertake an aggressive hay marketing program to develop the export potential of this product? Will the minister recommend to his cabinet colleagues that the net asset value under the Ontario student awards program be raised to farmers from the present \$270,000 to reflect the increased asset value of the average Ontario farm?

What does the minister intend to do about the lands rented to farmers under ARDA? Will the minister expand this program? Is the minister working in "the co-operation of spirit" with his federal colleagues on behalf of the farm women of this province who request an opportunity to participate in the Canada pension plan?

Finally, I am going to end my comments by—

Hon. Mr. Timbrell: Can I go over your list again to make sure I got it right?

Mr. Riddell: Yes.

Hon. Mr. Timbrell: I was with you up to the right to farm, then crop insurance. There is something before your question about a meat packing plant in northern and eastern Ontario. What was in between there?

Mr. Riddell: Will the minister introduce legislation protecting purchasers of defective farm implements?

Hon. Mr. Timbrell: Okay. Thank you.

Mr. Riddell: Last, I have to go back over the questions I put in Orders and Notices last session. I find it rather unusual for this minister not to have responded by now. With some of the ministers, we do not expect a very early response. However, with this minister, I must say I have always had what I consider to be excellent co-operation.

If I wrote him a letter or sent a concern across the floor of the House, he would almost immediately get up and take it to his executive assistant, or whoever it is who sits over on the sidelines there, to look into. I appreciate that kind of co-operation. I am rather annoyed that the questions I had on the order paper last session have not been addressed, so I am going to go over them.

One of the inquiries I made was, "Would the Minister of Agriculture and Food indicate the amount spent by the ministry for: management

consultant services, technical consultant services, communication services, legal services, research and development services, and creative communication services as defined by the Management Board of Cabinet Manual of Administration for the fiscal years 1978-79 to 1982-83 inclusive?"

Second, "Would the minister indicate the number of contracts involved in each of the categories and for each fiscal year as outlined above?"

Third, "Would the minister, for each of these contracts, name the individual, individuals, companies or firms awarded the contracts; and indicate whether or not the contracts were tendered?"

3:10 p.m.

Other inquiries I made read as follows:

"Would the Minister of Agriculture and Food indicate the number of people who are employed by the ministry, by contract or otherwise, who are not classified as civil servants? Would he indicate the total cost incurred for these services for the fiscal years 1981-82 and 1982-83?"

"Would the Minister of Agriculture and Food indicate how many vehicles are rented, leased or owned by the ministry? What is the expense incurred, and description, model and year of each vehicle owned, rented or leased? Does the parliamentary assistant of the Ministry of Agriculture and Food have access to government-owned, chauffeur-driven limousines; on what basis and conditions?"

"Would the Minister of Agriculture and Food outline the number and destination of all trips taken outside of Canada by the minister, the deputy minister and the assistant deputy ministers at public expense for each of the fiscal years 1981-82 and 1982-83? Would the minister outline the members of staff and any nonministry personnel who accompanied them on any of these trips? Would the minister indicate the purpose and cost of each trip headed by the minister, deputy minister or assistant deputy ministers? How many direct jobs have been created in Ontario to date as a result of each trip?"

"Would the Minister of Agriculture and Food table the public opinion polls commissioned by the government during the fiscal years 1981-82 and 1982-83? Would he indicate the cost of each poll, the company that took it, and whether the undertaking was tendered or not?"

"Would the Minister of Agriculture and Food specify: (1) the number of employees directly responsible for communications with the public and press, and the total salaries in the communi-

cations information branch of the ministry and any of its agencies, boards and commissions for the fiscal year 1982-83; (2) the number of clerical and support staff and contract staff who assist communications officers and their total salaries for the fiscal year 1982-83; (3) the number of employees directly responsible for communications with the public and press and total salaries in the communications information branch of the ministry and any of its agencies, boards and commissions for the fiscal year ending 1977-78, if applicable; (4) the number of clerical and support staff and contract staff who assist communications officers, and their total salaries for the fiscal year 1977-78; and (5) whether the minister has a personal media adviser or advisers and, if so, what salary or salaries the advisers received for the fiscal year 1982-83?"

"Would the Minister of Agriculture and Food indicate: (1) what was the total advertising budget for the ministry and its agencies, boards and commissions for the fiscal year 1982-83; (2) what was the comparable advertising budget for the fiscal year 1981-82; (3) which advertising agencies were employed; (4) were tenders let for these accounts; and (5) would the minister provide a copy of the material used in all the promotions, such as brochures, radio and television scripts, direct mailings, and any other promotional material?"

I regret having to read this into the estimates, since it is in the order paper, but I do not know what to do. When you put questions in the order paper and you do not get responses, then I guess the only thing you can do is pursue it in the estimates, hoping that by the time they have run their course you will have some responses.

I think it is important to ask these questions. I sat back and watched the last federal election. I saw the major issue of political patronage practically destroy a government. I thought to myself, "Maybe it is time we delved into some of the things that are going on within this government." I intend to do so; to play hardball from now.

This is the very reason I made a political patronage speech in the Legislature the other night that got Mr. Clare Westcott, the executive assistant, and the Office of the Premier all upset, to the point where Mr. Westcott has written two or three open letters raising Cain that I would dare make a speech in the Legislature on political patronage implicating him because it was getting on the public record. He certainly knew the recourse and made use of it in writing open letters. He got as much public exposure as I did.

I simply want to tell the minister, Mr. Westcott and anybody else I am going to be playing hardball. I am going to be looking into the unnecessary expenses of this government and I am going to try to ascertain whether some of these unnecessary expenses could not be directed to an agricultural industry that is in trouble, directed to help those farmers who, according to the last Farm Credit Corp. survey, were the very farmers who were producing more than 50 per cent of the food in this province and who are in the most serious difficulty. These are the farmers to whom we have to direct public expenditures, and this is why I want to find out where the money has been going and whether it could not have been better spent.

How much did it cost this ministry to produce the film *Proud Beginnings*? I was disappointed in the film. I do not think it reflected the true agricultural picture in this province. It dealt with a dairy farmer. If you are interested in history, it talked a wee bit about the history and the migration of the United Empire Loyalists who took up farm land and what have you, but that is as far as it went.

It did not talk too much about farming as we see it today. It did not mention a hog farm, a beef farm or a lamb operation. The film took a look at a dairy farm. We know dairy producers are doing not too badly because they happen to have a Farm Products Marketing Board. They happen to have quotas that are more valuable than the cows.

The film also took a look at another farm and referred to—this struck us as rather odd, and the member for Huron-Bruce (Mr. Elston) can check me if I am wrong—a cash crop as being horses.

Mr. Elston: Racehorses.

Mr. Riddell: Racehorses being a cash crop. Am I not right?

Mr. Elston: That is right. Harvesting the year's production at the local sales barn, I think the film indicated.

Hon. Mr. Timbrell: But they did not call it a cash crop.

Mr. Riddell: Yes, they referred to it as a cash crop. Then they depicted a fruit farm, but were very careful not to choose one of the farming operations that are in a lot of trouble today.

Hon. Mr. Timbrell: Do not forget we are making another film in co-operation with the Ontario Institute of Agrologists for use in the schools for career days and promotion of agriculture. That is about the current agriculture industry.

Mr. Riddell: Let me end my comments by suggesting strongly that you and your deputy and all your people in this room today go to see the film entitled *Country*, currently showing in Toronto.

Hon. Mr. Timbrell: We have promoted it.

Mr. Riddell: I am glad you have, because that is the film that depicts farming as it has been over the last few years. I went to see the film the other night and I was likely the only farmer in the whole theatre because it was in Toronto in mid-week. I was amazed at how spellbound the other viewers were in that theatre.

There was a comment today from one of the critics talking about the film, saying it was a great film. He said it was the type of film in which you could almost pick yourself up and move right into the scene. That is the situation today. If government members have not seen the film, I urge them to go and see it, then come back here and join with us on these estimates to convince the minister that all is not well on the farm front and that we do need the problems addressed in a very different way from the way he and his staff have chosen to address them in the past.

3:20 p.m.

I am not critical of the programs he has introduced in the past. I have already given him credit for certain programs he has introduced in the past and I have already given him credit for certain programs, but I am also saying we have been sadly lacking in the real programs which are needed by this ministry and by this government to address the real needs of the farmers who are struggling today to make their farms viable so they can continue to produce high-quality food at reasonable prices for the consumers.

Thank you very much for listening to me—over this last hour, is it?

Hon. Mr. Timbrell: You actually went on longer than I did.

Just one point. I know Mr. Swart wants to make his opening remarks so I will not respond yet. However, on the matter of questions in Orders and Notices, my recollection is that in the spring either the cabinet office or the Treasurer, or both, had indicated that since the questions you posed were part of a package of questions, all of which went to all ministries, they would be answered during estimates. When the time comes, I will be glad to answer them.

Mr. Chairman: Thank you. Mr. Swart.

Mr. Swart: Mr. Chairman, minister, staff and members of the committee, I am not going into

any lengthy introductory remarks. I guess there are just two I want to make.

The first is to say how pleased I am to be here with the new deputy minister, Dr. Switzer, and to say—I think advisedly—that by his appointment as deputy minister he can do nothing but enhance the ministry from the respect in which he was held by the academic and the farm community. In the process, it is hoped he will enhance the ministry and the Minister of Agriculture and Food.

The other comment I want to make, and I am not going to wish the minister well in his leadership race because I do not care a great deal who wins it, is that I want to compliment him on the fact he has agreed to a system of disclosure of donors to his campaign. It may have been politically motivated for votes at the convention, but I suspect that in his particular party, with many corporate executives who are used to keeping financial matters behind closed doors, it may not have been at least entirely political in the search for votes. I compliment him for that stand.

Mr. Elston: This minister realizes he needs the support of the NDP to keep him there. That is what he is really after.

Hon. Mr. Timbrell: Now hold on. This is an ecumenical movement. I have support from Mr. Riddell and now Mr. Swart. We may pull off the next election.

Mr. Swart: I would just remind you I did not say I was supporting you. I made a complimentary comment, but I did not go so far as to say I hope you got the premiership.

Hon. Mr. Timbrell: Thank you.

Mr. Swart: I want to stress immediately—it is probably not necessary—the importance of the agriculture industry and to recognize the difficulties it is having within this nation, within this province and, to a large extent, within the whole world. In dealing with these problems, I am going to deal with some which have been dealt with by the Agriculture and Food critic for the opposition and some which were touched on by the minister himself.

I realize all of the problems cannot be attributed to the province. They all cannot even be attributed to the federal government, past or present. Some of them are international situations, but a very large measure of the condition in which agriculture finds itself at the present time can be resolved and dealt with by the federal and provincial governments. I want to point out that over the years many things have come up when you have said, "We cannot get the co-operation

of the government in Ottawa." I know the political game and I know at times that was part it, part of the reason for making those comments.

However, there will be no such excuses from now on, at least not for the next four years. Therefore, I think we can and ought rightfully to expect not only more co-operation and co-ordination, but more measures that would be beneficial to the agricultural community. I doubt if we will get them, but I think we have a right to expect that over the next few years.

The thing I want to do—it has already been done to a substantial degree—is to put Canada's and particularly Ontario's farm economy in perspective. Reference has been made to a number of news clippings about the serious situation in which farmers find themselves at the present time in this province and in this nation.

One is an article by Kevin Cox, which has already been quoted by the member for Huron-Middlesex, in which somehow or other the minister was put in the same class as mastitis. There was a more significant statement in that article by Harry Pelissero, president of the Ontario Federation of Agriculture, about the serious financial situation of the farmers.

He said in an interview: "The first round of high interest rates in 1981 and 1982 weeded out the farmers. The banks said we are bad managers. We have lost the bad managers and the people that all the money in the world would not help. We have a new group in trouble now—those who borrowed money for expansion, did not have any debt then, but now cannot produce the cash flow to cover their debts."

I think that is a fairly accurate statement by the president of the Ontario Federation of Agriculture which accurately describes the situation that agriculture is in at the present time.

I have a clipping of an article by Gordon Wainman in the London Free Press. The title is "The Farm Barometer Is Pointing the Wrong Way." These are quotes of comments made by Tom Oegema, president of the Christian Farmers Federation of Ontario.

It says, "We are becoming more and more aware that the pinch is a lot harder and more widespread than we at first thought. It is not over at all."

Then Gordon Wainman goes on to say: "Another contact said the worst is about to begin. The government and the banks are kidding themselves if they think they are over the hump. Even the federal Farm Credit Corp. finds close to one in three of its borrowing farmers are in trouble."

Even the federal Minister of Agriculture, as quoted in the London Free Press of October 3, stated: "The farm financial situation is pretty bad," John Wise, Canada's new agriculture minister, said Tuesday, and to curb bankruptcies, he is thinking of setting up special farm financial review boards."

Of course, we know they had been asked by the Conservatives, and certainly by the New Democratic Party at Ottawa to do so. He said he is considering it. It is our hope he will proceed with it.

3:30 p.m.

I have already referred to the article in this morning's paper by Kevin Cox. It starts off by saying, "The number of farmers in severe financial difficulties is nearly three times what bankers and some government economists have been saying, according to the findings of the first national study of farmers' money problems. The study, released yesterday by the federal Farm Credit Corp., says that 17 per cent of Canadian farmers are suffering 'severe financial stress.'"

It goes on to say, "The study was released by the FCC only a few days after federal agriculture minister John Wise told farmers that the FCC will not foreclose on any farms for at least six months." That article also quotes Harry Pelissero, president of the Ontario Federation of Agriculture as saying: "We've said for the last two or three years that one out of five farmers are not meeting their cash flow. It is not satisfying to say I told you so, but if we had been listened to and income insurance programs and low-cost, long-term credit had been set up, then those figures would not be so high now."

The minister himself has said on occasion in recent years, when we have talked about 15 or 20 per cent of the farmers being in trouble, that in his opinion it was about five per cent. Now we have some fairly good evidence that the estimates given before—from myself or the critic for the Liberals—were fairly accurate and that the situation is not getting any better.

The member for Huron-Middlesex mentioned that farm income is not increasing, and in his comments he gave several examples of income which was not now any higher than it was in 1980. I have with me the government's own book, Ontario Agriculture Statistics for 1983. I presume that is where the Liberal research department got many of its figures. I am sure the minister has looked at this.

I point to the figures there of total net income for farm operators from farming operations. The years from 1974 to 1978 are averaged and the

figures then shown yearly since that time. They show the average total net income for 1974 to 1978 was \$691 million. The figure went up and down, but last year it was \$812 million.

I took the trouble to compute those by including the rate of inflation. This is what I found. The average was \$691 million for the years 1974 to 1978. If the rate of inflation in 1979 is computed—I think the minister will find these figures are accurate, but he could have his staff check them out—the net income was approximately \$650 million at constant dollar value.

The following year the figure, adjusted for inflation, was down to \$554 million. In 1981 it was down to \$544 million. In 1982 it was down to \$462 million and in 1983 it was down to \$437 million in real money. I am sure the minister would recognize that is pretty serious.

The amount of production, of course, had increased quite substantially over that period. New technology had been introduced, but the real income of the farmers in constant dollars went down, and steadily, every year. From 1974 to 1978 the average of those years went down from \$691 million to \$437 million.

That, as much as anything else, is a clear indication of the rather desperate situation of farmers. I repeat that the figures are from the minister's own publication. I have no doubt they are right.

Figures have also been mentioned about the levels of bankruptcy. I have those figures since 1981, which was the first year there was a serious number of bankruptcies, indicating something more than the poor farmer or the poor businessman.

I am not going to repeat those figures except to say that over the four years, and that includes nine months of this year, Ontario had 38 per cent of those bankruptcies, even though we only have 26 per cent of the census farmers. Surely you will say, "Yes, but the bankruptcies in the west and in Quebec have increased quite dramatically in the past couple of years, while ours have gone down slightly and the percentage is going down." In the nine months so far this year, that figure of 118 bankruptcies in Ontario is 28 per cent of the total in Canada, compared to 26 per cent.

Although we are now getting down close to the national average, over the years the farmers have been trouble, we have lost a far higher percentage in Ontario than the national average. I know there are many other factors that you can say enter into that, but many of those factors would indicate that perhaps we should have had fewer than the other areas because we have such a large

proportion of supply-management farmers in Ontario compared to the national total.

I think that is an indication the situation really is worse in Ontario than the average for Canada. I have further rather extensive details on that with breakdowns in the various categories, but I will not go into it at this time. I hope to finish my remarks today so that we can get into other votes tomorrow.

Might I just interrupt myself, Mr. Chairman, and ask the time we plan to adjourn. Is it 4:30 p.m.?

Mr. Chairman: It is up to the committee. It is usually 4:30 p.m., but I understand from the minister he would like to clear these up in three Wednesdays if at all possible. In order to do it in the 18 hours we would have to meet a little longer one day to get it in. I was going to ask whether the critics felt it would be possible to do that, or whether they do not foresee that is possible.

Mr. Riddell: It is certainly quite acceptable to me. For personal reasons, I would like to see it cleaned up in three Wednesdays too.

Hon. Mr. Timbrell: I would be willing to do it in two, if it is very personal.

Mr. Swart: I know the minister wanted to get away in reasonable time today.

Hon. Mr. Timbrell: And for a very simple reason which has nothing to do with the ministry. It is Hallowe'en and I have some kids I want to take out.

Mr. Swart: Yes, and I think I should respect that. I am prepared to go to 4:30 p.m. or five o'clock. I just hope I can finish then and I will work towards that goal. That is not always possible.

Mr. Chairman: It is up to the committee, whatever it wants. It does not matter to me.

Mr. Riddell: Can you go until five o'clock tonight?

Hon. Mr. Timbrell: Yes

Mr. Swart: I will certainly be finished by that time, and I would hope even before.

Mr. Riddell: You certainly can take equal time, so you have an hour and a half.

Mr. Chairman: About 50 minutes.

Mr. Swart: The Agriculture and Food critic for the Liberals alluded to the study done by the Farm Credit Corp., which showed the very difficult situation farmers are in, particularly younger farmers and the big farmers in this nation.

3:40 p.m.

After this report came out—I am hoping to get a copy of it; it is not quite ready yet, I understand—I had my assistant, Fred Troina, call Ottawa to find out whether Ontario was any better than the rest of the provinces, and he was told over the phone that we were no better than the rest of Canada.

Hon. Mr. Timbrell: Definitely not the worst.

Mr. Swart: No, they did not say that. Mr. Ralph Kikkert is going to send us the full report, so I may have something more to say about that. But there is no question that there were problems in Canada in this regard, extensive problems, problems of great magnitude, and this criterion for determining the problems we have in this province shows that Ontario is not any better off, and may be worse off, in that regard.

Another index that is rather important in determining the economy in the farm community is purchases of farm equipment. It shows that in Canada as a whole, from 1979 to 1983, the purchase of tractors, which is perhaps the best gauge, fell from 31,035 to 17,998, a reduction of about 45 per cent.

In eastern Canada it was even worse. They do not give the figures—at least I was not able to get the figures separately—but in eastern Canada it fell from 15,250 to 8,854, an even greater drop.

Mr. Gillies: Do you know how many combines Massey-Ferguson sold in January 1983?

Mr. Swart: No, I do not have the figures. This comes from the implement manufacturers.

Mr. Gillies: No? I can tell you. This was the worst point. This company, which employed about 2,500 people at the time, sold two combines in January 1983, as I recall.

Mr. Swart: That may be true. The total number of combines sold in Canada in 1983 was 4,321. In 1979, before the depression started, it was 8,080. Obviously it was cut in half, and the situation is slightly worse in eastern Canada than it is in western Canada. That is another gauge of the very serious situation we have in this province.

The Farm Credit Corp. points out in its annual report for 1983-84—and this is loans receivable, portfolios, at March 31, 1984—that Ontario had due in principal \$1,258,000,000 and the arrears were \$31,549,000. This was the highest, in proportion to the principal loaned out, of any province in Canada with the exception of British Columbia.

I am very conscious of the fact that this can vary quite dramatically from province to province. In the western provinces they get most of their income in the fall. But March 31 is a good

time—it is not an unfair time, let me put it that way—to compare the arrears. This again indicates that the farmers in this province are in a worse situation than they are for the average in Canada.

The total equity loss by farms across Canada reported in September of this year by the Farm Credit Corp. had dropped from \$99.8 billion to \$95.6 billion. That was a decrease in Canada of \$4.2 billion, or about 4.3 per cent. I was not provided with the figures for Ontario, but if we can believe the studies that have been done on the depreciation of farm value, which is the main part of the equity loss in Ontario, once again it is more serious than in the country as a whole.

Finally, let me just mention another indication is the reduction in the farmer's share of the consumer dollars spent for food. The figures of the Ontario Federation of Agriculture show that has dropped from something in the order of 59 per cent in 1979 to 48 per cent at the present. The farmer is only getting 48 per cent of the consumer's dollar when it comes to food, down from 59 per cent. The facts are in.

You can pick out the year 1979 and say that was higher because prices were very good that year, but even if you go back and look at the average for several years, the farmer in this regard is in—

Mr. Haggerty: I was talking to a farmer in Wainfleet, in the marsh there. He is trying to sell his vegetables, and all he can get for a pound of carrots this year is what he got about 25 years ago. That is the price being paid for them at market.

Mr. Swart: If you look back over a lot of farm commodities, their price on the average is very little higher in today's dollars than it was during the 1970s.

Without being partisan, we can say the situation in Ontario is desperate. It is bad not only compared to 10 years ago, but by all the criteria you can use, it is worse than the average for Canada. Everyone knows the low prices and the high capital costs, the financing, are the two main culprits in this.

Your government and you, Minister, unlike the governments of the other major agricultural provinces, have stalled on a red meat stabilization program. You have stalled, and that is putting it kindly.

Hon. Mr. Timbrell: Like Alberta.

Mr. Swart: Well, Alberta has it for the hogs, at least.

Hon. Mr. Timbrell: So do we. We have a sow-weaner program.

Mr. Swart: Yes, but Alberta has a much more comprehensive one than you, as you well know.

Hon. Mr. Timbrell: Not after January 1.

Mr. Swart: I would like to quote from your statement this morning. You said, "In recent times there has been much pressure on this government and on myself to make some sort of temporary assistance available to producers in this sector." You were talking about the red meat sector at that time.

I presume you mean the pressure this past summer from the Ontario Federation of Agriculture to make payments for last year of \$67 million to put the payments in line with those in the other provinces; and you have had requests from various other groups. I presume you are referring to that and I am right in assuming that.

3:50 p.m.

You say, "We have rejected this type of ad hoc payment as being not only short-term but shortsighted. Indeed, we see ad hoc payments as being the least effective means of helping the industry."

"As our intensive and exhaustive evaluations of the red meat industry have concluded, the only realistic solution to the industry's problems rests in structural adjustments to ensure its long-term competitiveness. This is the rationale behind our red meat plan and the reason for our support of national tripartite stabilization. Furthermore, any ad hoc payments would only serve to jeopardize this long-sought-after objective of treating all producers in Canada equally."

I point out to the minister it has been the government of Ontario that has been out of step. Ninety per cent of the red meat production has had some form of stabilization. Let me reword that. In the provinces that produce approximately 90 per cent of the red meat, there has been some form of stabilization, although not complete—in Saskatchewan, Manitoba, Alberta with a comprehensive plan for hogs, and Quebec. Those are the main producers.

Hon. Mr. Timbrell: It is nowhere near that.

Mr. Swart: In these five?

Hon. Mr. Timbrell: Among the five? Oh, sure; I thought you were saying the provinces that have—

Mr. Swart: No, I am saying of the five provinces—and Ontario is among the five—that produce 90 per cent, you are the only one out of step.

Hon. Mr. Timbrell: No.

Mr. Swart: Maybe not totally out of step. Alberta has no beef stabilization program.

Hon. Mr. Timbrell: Which is a much bigger industry in that province than hogs. We do have a sow weaner plan. Anyway, we will get into it later.

Mr. Swart: You can get to it later, but the fact is you have no comprehensive stabilization program for hogs, as you well recognize. Now you have given a commitment that you are going to put in a stabilization program, even if there is not a federal one. You are going to get in step with the other provinces. You are not going to put in as comprehensive a plan as exists in at least some of those provinces—

Hon. Mr. Timbrell: They will be reducing theirs.

Mr. Swart: —but you are going to put in a plan.

You could have put in a plan before. That was simply an excuse. It was not a reason; it was an excuse. I know the restraint program of the Ontario government and I know that throughout this province, to a very large degree, your government gets the votes of the farmers in the rural ridings. Those were the real reasons, not the fact that somehow or other you would be out of step or have something in that would be difficult to reverse. The other provinces did it.

While I am talking about the new plan, I would like to ask some questions, as the Liberal Party critic did, about your proposed plan. I would like to ask you, and you can answer this afterwards, if you are going to bring in legislation this fall, so it can go as of January 1 if the federal program does not go.

What sort of payments are you going to? What is the timing of any payouts? I have no doubt the premium payments will start on January 1, but will there just be enrolment at that time with the payouts not coming until six months later when the hogs or the beef are marketed?

I would also like you to bring us up to date on what commitments you have, if you have any more, from the federal government with regard to the tripartite agreement. I saw in the paper, and I have the clipping in my file, John Wise said they were looking at the cupboard and seeing it was extremely bare and they are going to have to be very careful about any additional expenditures they are going to make. Perhaps you can bring us up to date on that.

Are you going to start full payouts as of January 1? Are you going to have any retroactive payments as have been requested by the Ontario Federation of Agriculture? They requested them for 1983. Are you going to have any retroactive payments for 1984? I point out to you they would

not be nearly as high as they would have been in 1983—at least it does not appear that way at present. We do not know what is going to happen in the rest of the year, but prices were somewhat higher this year than they were the previous year.

You certainly could have brought in a plan such as the other major red-meat-producing provinces have. It was cost-saving and, I must say, an indication of the lack of priority on the part of the government—I do not know whether you fought for it or not—for agriculture in Ontario not to have brought in a stabilization plan up to this time. I do not think it is unfair to interpret it in that manner.

There have been all kinds of proposals from farm organizations on methods of financing, both short-term and long-term, that they have asked you to introduce.

Before I leave the issue of stabilization, I would like to give some figures we have obtained from the other provinces. In the last year, Saskatchewan has paid out something like \$30 million in its red meat stabilization program.

Hon. Mr. Timbrell: The fund is \$30 million to \$35 million in the hole.

Mr. Swart: I am not arguing that it is not in the hole. I did not interrupt the minister when he was talking and perhaps he will extend me the same courtesy.

Hon. Mr. Timbrell: I am sorry.

Mr. Swart: Whether it is in the hole or not, the facts are that the money has been paid out to the farmers of that province, basically on a plan that was introduced by the New Democratic Party government there. The Deputy Minister of Agriculture moved from there over to Manitoba and instituted a similar plan in Manitoba for red meat stabilization. They have paid out something like \$23 million in the last 12 months.

Alberta has paid out something like \$25 million in the last 12 months in its pork program, and Quebec has paid out to its farmers, on both pork and beef, something like \$65 million. With some minor exceptions, we have not had those payouts to the farmers of Ontario. That is one of the reasons farmers in this province now are in a worse financial position than the average farmer throughout this nation.

To get back to loans and financial assistance to farmers other than from the stabilization programs, on June 19, 1984, you were asked to expand the Ontario farm adjustment assistance program and to bring it down to the 10 per cent. In your leadoff statement this morning you said—I am not sure of the exact words—that it would disrupt the marketplace if you did it.

Hon. Mr. Timbrell: What I said was we would get into dangerous territory or words to that effect.

Mr. Swart: In any event, it was undesirable to do it for other reasons. I suggest again that is not the primary reason you did not put it in. It would have cost your government more money and your government does not assign that kind of priority to agriculture.

Because of the desperate situation, the Ontario Federation of Agriculture asked you last June to put an interest rate cap on operating loans, that the province guarantee producers would not pay more than the negotiated rates plus one half of one per cent, as at least one of the western provinces has. They asked that loans for capital be available at eight per cent, repayable over 10 years, for amounts up to \$50,000 for capital items such as buildings and machinery. You have taken no action on that.

4 p.m.

Subsequently, when they made representation to you on, I believe, September 12, they asked you to continue the Ontario farm adjustment assistance program after 1984. I am not sure whether you are going to tell us today or next week whether you are going to do that, but they asked you to lower the interest rate to 10 per cent and to extend it down to 70 per cent equity.

They asked you to introduce a program to freeze interest rates on operating loans and to negotiate a rate plus 0.5 per cent, with the province making up the difference on loans up to \$250,000, and to have it run at least to April 30, 1985. They asked you to develop the capital loans program and to continue pressuring other governments to support an immediate implementation of an agribond program.

Out of all those requests the only one you have said you will agree to is an immediate implementation of an agribond program. You are going to pressure for that whether it comes or not, and you perhaps will want to make some comments on it in your reply. That is one of the easier ones for you to do, of course, because the main cost of it is to the federal government and not to Ontario, recognizing that you will lose some revenue.

We just say that in regard to loans, you have not done as much as the other provinces have done on average. The member for Huron-Middlesex pointed out the paucity of the programs here. In fact, the only program you have of any significance is the beginning farmer program and, of course, that was just implemented this year.

Hon. Mr. Timbrell: The beginning farmer program began on January 1, 1983.

Mr. Swart: I am sorry about that. That was only introduced last year and, of course, it is recognized as being of substantial assistance to that group of farmers. But there are so many other farmers, including so many young farmers with heavy loads, who get no benefit from it at all. They already exist and they will go under while you are financially supporting new young entries. We support them too, but to ignore the others is totally unreasonable.

The report of the Farm Credit Corp.—this one is not up to date; I believe it was 1982—shows that provinces like Alberta have outstanding credit of something like \$659 million to their farmers, Saskatchewan has \$129 million, Manitoba has \$152 million and Quebec has \$1.96 billion. Of all the provinces here the only one that has a blank beside it is Ontario. You simply have not treated your farmers as well as other provinces have.

Granted that OFAAP enables some farmers to borrow money who would not otherwise be able to do so, the thrust of your program now is to guarantee repayment to the banks under OFAAP. You are helping the banks as much as you are helping the farmers, or maybe more, whereas if that money actually went in under the B section of OFAAP to assist the farmer in paying his interest rates on operating loans, some of those farmers who go under might not do so.

Hon. Mr. Timbrell: I do not understand the point you are making.

Mr. Swart: I am saying to you that if the farmer had received more assistance under the B section of OFAAP, more money into his pocket—not to go to the banks but into his pocket—some of those farmers who have gone under, whether it is by bankruptcy or whatever kind of liquidation, would not have gone under. You are almost exclusively using the C section.

I suggest to you that what you are doing is really guaranteeing the banks instead of assisting the farmers.

Hon. Mr. Timbrell: Do not forget the credit unions.

Mr. Swart: I recognize the credit unions in there too and I recognize the credit unions have been in difficulty. With the amount of money we are talking about here in total, much more of it goes to the banks than to the credit unions.

That figure, which I just checked today, shows that of the money paid out in the B section, as of October 30 or about this time, \$19.1 million in

fact has gone to the farmers and \$15.8 million has gone to the banks. A year ago, those figures were about \$17 million to the farmers and \$4 million to the banks, so it shows a real shift in guarantees to the bank from real assistance to the farmer. That, I suggest once again, is not giving the highest priority to our farmers.

As has already been mentioned and I will not repeat it, in spite of the statements that you are increasing the Ministry of Agriculture and Food budget by 16 per cent, there is no question that the percentage of the budget which Ontario is devoting to agriculture is substantially lower than the average of other provinces. I do not think that question can really be argued.

I want also to point out, as has already been pointed out, and I will use some slightly different figures, that import replacement certainly is no howling success in this province either. You have talked about it at great length in your previous statements; this year you hardly mentioned it at all. Mr. Doyle, of course, did deal with it at some greater length in his statement.

Hon. Mr. Timbrell: It is in there.

Mr. Swart: I know, but it is not dealt with at any length at all; there is just passing reference to it.

Hon. Mr. Timbrell: You gave me credit for cutting down on my time this year; that is one of the ways to do it.

Mr. Swart: The statistics show—and again your own statistics taken from the 1983 agriculture statistics for Ontario—that food imports increased, from 1977 to 1983, which is a term you use in this report, by something like \$1,035,000,000 and the exports increased during that same period of time by about \$901 million.

Hon. Mr. Timbrell: Which time frame is that?

Mr. Swart: From 1977 to 1983. These are your own figures and therefore, I suggest, are fairly accurate. I am not sure everything is included in those but they are what you have put in your book.

Granted, in the last two years that ratio has switched; that is, the amount of imports has been reduced while the exports, proportionately, have increased more; but I suggest to you that is not long term.

4:10 p.m.

One reason that the imports have not increased as much in the last couple of years is they have become more costly because of the drop in our dollar. People are not buying as many imports because of the state of our economy. People are

not buying as much in the way of food imports, first, because they have become quite a bit more expensive; and second, because there has not been the purchasing power in this nation.

That, I suggest, is the main reason we have had, if not a narrowing at least a levelling off of the gap between imports and exports. I think that will prove to be the case as time goes on.

I want to deal next with what I feel is the bias of the ministry in favour of the corporate sector. I believe it has a bias against the farmer and against the consumer and a bias towards the corporate sector. This certainly shows up in policies such as the milk policy in this province.

What the farmer can get is controlled. Under supply management I understand this, but once the milk is beyond the farm gate the processors and the retailers can do as they like. There is little interest in the markup margin as it adversely affects both the consumer and farmer.

On January 16 of this year I wrote a letter to the minister about the unreasonable markup that took place on that increase awarded to the farmer at that time. I believe it was 3.5 cents—I am going by memory—but it ended up at about 10 cents to the consumer.

I pointed out that the farmer only got about 14 cents of the last 40 cents a litre increase in the price of milk. I said all of the statistics available—and there is a new set out now which I will also have in my hands very shortly—show a dramatic decrease in the share of the retail price of fluid milk that the farmer is getting.

I said there should be legislation or regulations which would prevent markups being stacked on every time the farmer gets an increase. The farmer always ends up getting the blame for the increase.

I got letters back from both the minister and Mr. Elgie which said they had looked into it and it appeared to be justified. There was no expression of concern because of the concentration now in the processing of fluid milk. They were not concerned that four companies now process more than 85 per cent of the fluid milk in this province and that one company, Labatt's, has somewhere between 40 and 50 per cent of it. They said it was 50 per cent about a year ago; now they are a little more sensitive and say it is closer to 40 per cent than to 50.

Hon. Mr. Timbrell: It is, because of a major new competitor in the marketplace.

Mr. Swart: That may be the case, but they are saying now it is down closer to 40. The reports in the paper say they are very sensitive about the share of the market they hold.

There apparently is no in-depth examination of what Quebec does in this regard. The minister must be aware that last spring the farmers in Quebec got basically the same award and about the same price per hectolitre for milk as they do in this province. They did not permit any increase in the retail price of milk in Quebec at that time.

A change is being made now. On November 12, as a matter of fact, they are going to implement price increases. They are going to implement an increase of about five cents per litre in the retail price of milk at this time in Quebec, but it should be noted it was awarded at a different time from when the farmers got their increase.

I think that is much fairer treatment of the farmer; it is certainly fairer treatment of the consumer. My assistant checked out for me the price of milk in this province just a few days ago. It went up another two cents per litre, as I think you are likely to be aware; on October 10 or 12, I believe it was.

There was nothing in the papers about this at all—no criticism, of course, of the dairies, because there is no public announcement. The farmers have to go public when they want their increase; it is all in the papers ahead of time that they have applied for the increase. Then when it is awarded and when the processor's markup and the retailer's markup is tacked on, the farmer basically gets the blame for it.

They did not do that in Quebec. They said, first of all, that there was no need for an immediate increase for the processor and no need for an immediate increase in the amount the retailer was going to get; those markups were not necessary at that time. As a result, an increase of five cents is going to be implemented on November 12.

Hon. Mr. Timbrell: That will raise the minimum price in Quebec to what, \$3.19?

Mr. Swart: For a litre it is 85 cents. I will give you all those figures.

The minimum charge for a litre of homogenized milk in Quebec will be 85 cents and the maximum will be 91 cents, which they will be able to charge after November 12; at the present time it is 80 cents, and 86 cents is the maximum they can charge there now. The actual price is down at the lower end.

We checked the A and P. On October 22 the price here at A and P was \$1.09, at Dominion it was \$1.11, at Loblaw's \$1.07, at Miracle Mart \$1.09 and at Food City \$1.08.

Hon. Mr. Timbrell: What is it for two per cent milk? Over 70 per cent of the milk sold in this province is two per cent.

Mr. Swart: I will come to two per cent. Two per cent is 80 cents per litre, and 86 cents is what it will be on November 12.

Sorry. They have these figures a different way. I gave you the prices here for the two per cent: \$1.09, \$1.11, \$1.07, \$1.09 and \$1.08. Homogenized milk, which is 85 and 91 cents in Quebec, is \$1.11, \$1.13, \$1.09, \$1.11 and \$1.09 here. I am quoting five stores.

Two litres of homogenized milk in Quebec are \$1.68 and \$1.80, minimum and maximum. Remember that I am talking about November 12, not what is in existence at the present time. Two litres in the stores here were \$2.13, \$2.15, \$2.12, \$2.15 and \$2.12. Two litres of two per cent there will be from \$1.58 to \$1.70; that is the range.

Perhaps I should interrupt myself here to point out, as you probably know, that I am talking about the southern part of Quebec. It is divided into two areas, just as in Ontario you have two areas in which the price of milk to the farmer and, basically, to the consumer is different.

Two litres of two per cent in Quebec are between \$1.58 and \$1.70, compared to \$2.12, \$2.13, \$2.08, \$2.13 and \$2.08 here.

Four litres of homo are \$3.20 and \$3.48 there compared to a sale that was on at the A and P here for \$2.99; Dominion was \$3.69, Loblaw's was \$3.69, Miracle Mart was \$3.69 and Food City was \$3.69. Those were the prices in Toronto.

Then if we go to the two per cent milk we find that in Quebec it is \$3 and \$3.28, minimum and maximum. In the five stores I have mentioned here it was on sale at the A and P for \$2.89; the others were \$3.59, \$3.59, \$3.59 and \$3.59.

4:20 p.m.

Let me admit immediately that there are sales on here and that milk is sold below cost in Ontario, but the sales do not take place all across this province, Minister. As you must know, there will be sales here and sales there at given times, but many people are forced to pay the full prices I have quoted here, and they are not selective. These prices are taken from Ambler Pricing Service, which we have in our legislative library.

You have failed totally to intervene in any way on the prices charged in Ontario, even though the markups here are substantially greater than in other provinces in Canada. All the other provinces, with the exception of British Columbia, have taken one form of action or another to control the price of milk past the farm gate, with various degrees of control. All monitor, except British Columbia and here, and all have legislation under which they can intervene in one way or another past the farm gate.

I suggest we need this here. It is not only the consumers and the farmers who are hurt by nonintervention, but also the other distributors.

I have here a letter from one of these fairly large independent distributors. I will not give you his name, but I can tell you he has been active over the years in the Conservative Party. In spite of that, he is a very reputable businessman.

Hon. Mr. Timbrell: Oh, a good guy.

Mr. Swart: He writes to me as follows, dated May 24, 1984:

"Dear Mr. Swart:

As you are probably aware, Labatt's Breweries now own effective control of the dairy industry in Ontario. The operating company of the dairies division is now Ault Foods. In November 1983, they raised their prices about three per cent with nothing to the producer or their dealer network—myself. On January 16, the producer received an increase of \$3 dollars per hectolitre for milk testing, or 3.5 per cent, and when this is worked back to the standard homo as sold in the marketplace, the raw product for whole homogenized increased 2.9 cents per litre. Two per cent increased by 2.7 cents per litre. The dairy industry raised all fluid milk by seven and eight cents per litre, again no consideration for their dealers."

Obviously, he is referring to the 2.9 cents and 2.7 cents as the price that was paid to the farmer.

"This problem is not just with my dairy, but province-wide. We believe Ault, under these names—Silverwood, Sealtest, Royal Oak and others—are processing well in excess of 50 per cent of all the milk produced in Ontario. It appears they intend to raise the price as rapidly as possible, without sharing the new revenues with anyone."

He sent me a brief that he had submitted to the Royal Oak dairy, which is a Labatt's dairy. In it, he says this:

"We now know why we cannot compete for trade business on our own. The facts are you are giving customers buying from you directly, or handled as buy-back, a better deal than you are giving your own dealers. We know you feel that you are in a monopolistic position in Ontario. We at this dairy, as a fully licensed milk and dairy products distributor selling at wholesale value over \$3 million worth of these products per year, representing only our own sales, must ask for an arrangement that truly and fairly respects our position."

And he goes on right in the brief to say, "Since Ault's purchase of Silverwood, we have felt nothing but suppression and change, changes to

benefit Ault only and suppress us further at every turn."

That is from an independent distributor, a person for whom I have great respect. If you attend their conventions, you will know he expresses the feelings, to a very large extent, of the independent distributors in Ontario who are caught in the bind where there is a discount of 30, 35, or 40 per cent given to the huge supermarkets. These independent distributors cannot possibly compete and are going to fall by the wayside, one by one.

I would like to refer to an article by Jim Romahn, who is agricultural columnist for the *Kitchener-Waterloo Record*, back on June 20, 1984, headed "Controls Set on Milk Price." He says: "The Manitoba government has imposed price controls on its dairies and stores, mainly because they were killing themselves with price wars. The same thing may yet happen here in Ontario, even though nobody is keen about government price controls. Rebates, discounts and allowances got the Manitoba people in trouble, and we've got them in spades here in Ontario."

He goes on to talk about the discount abuses and says, if there is going to be any order in the marketplace, then they are going to have to go to the kinds of controls he was talking about with regard to certain other provinces.

The minister will know I introduced an amendment on my own in a private member's bill a couple of times in the Legislature. It would amend subsection 8(1) of the Milk Act and simply give power to the commission to make a regulation. I quote from my amendment, which is very simple:

"Determining from time to time the maximum and the minimum prices that shall be paid at the wholesale and retail levels for fluid milk products or any class, variety or size of fluid milk products, determining different maximum and minimum prices for different parts of Ontario and prohibiting the sale of fluid milk products at prices above or below the applicable maximum or minimum prices."

That is basically what they have in Quebec, and is similar to some other provinces. Most of the provinces do not have that much authority, but they can intervene on the processing price and the wholesale prices of milk. I suggest to the minister, for two or three reasons, there is justification for, and the time has come for, that kind of legislation in Ontario.

First, there are the chaotic conditions that exist in milk pricing, which are certainly going to affect adversely the independent distributors.

Second, there is the unfairness of the present system to the consumers. They are being greatly overcharged on a litre of milk; for instance on two litres compared to four litres, any examination will prove that is the case. The tremendous discounts being given in certain areas may be helpful to some people, but they are very difficult for other people in this province, whether it happens to be the seniors, who can only buy a litre of milk at a time, or the people living in areas where there are no price wars at any time.

Third, I suggest the farmers are not getting a fair share of the selling price of milk. In other documentation I have, it says the profit of the fluid milk processors is now one and one half times the average profit of agricultural processors in Ontario. They are getting one and one half times as much. That is why Labatt's is getting into the business. There is a rush to get into it. It is becoming a very profitable operation primarily because of the lack of competition and the concentration in the industry.

I want to move, Mr. Chairman, to the area of food land preservation. It is a subject, at least from the point of view of erosion, that has become very prominent, in the last few weeks particularly and a few months before that as well.

4:30 p.m.

The first thing I would like to put in perspective is the serious situation that exists with regard not only to the shortage of food in the world, but really to its maldistribution. I do not think I need to dwell on that at any great length either, with what we read in the paper yesterday about 27 African countries.

The headlines say, "35 Million People Are Starving to Death, UN Report Warns," and, "Africa Facing Its 'Worst Human Disaster.'" An estimated 6 million to 7 million people are in danger of starving in Ethiopia alone. We have had warnings from the world food organization and others who have gone into this about the need for maximum food production and the need to preserve our food-producing land.

I have a clipping from the *Globe and Mail* of May 30, 1984, which says: "The world's population is growing so quickly, scientists say, that without massive political and technological change in the next 20 years, one person out of three will go to bed hungry. One person out of five of the world's estimated 4.5 billion inhabitants is already starving or malnourished."

"'Because of the accelerated population growth and a relatively slow growth in the food supplies, mankind is facing a crisis from which there seems to be no escape', said a group of

Laval and McGill University scientists taking part in what is being billed as the largest conference ever held on global hunger. "'Twenty years from now,' they said, 'one man in three will not eat his fill every day.'"

These scientists are among 70 experts from 20 countries invited to the conference by the Canadian associates of Israel's Ben-Gurion University of Negev.

Jim Romahn, the agricultural columnist at the *Kitchener-Waterloo Record* whom I quoted before has a column on this on June 1, 1984. He starts off by saying: "Since the dawn of civilization, one half of the earth's food-producing soil has disappeared. By the year 2000 one third of the remaining soil will be lost."

He goes on to quote from a book written by theologian Dean Fruedenberger that had just been published: "Radical change in our relationship to the land, to the world's ecosystem, is urgent and change is possible. In order to make this change a reality, we must first change our minds about the land and our relationship to it. We must understand the fragile nature of our global system and the magnitude of the stress we have placed on it."

"For example, the crops we grow and the way we grow them result in soil and wind erosion. Large irrigation works in the United States are steadily drawing down water levels. It is obvious that farming cannot survive if these trends continue."

I will not read any more even though I have more of it marked, because I am sure you would be in agreement with me on those comments about the serious situation the world is facing.

Hon. Mr. Timbrell: I am sorry to interject. If you look at places such as Saudi Arabia, for instance, which I visited back in February, they have made great strides in wheat production using pivot irrigation. They are making great strides in increases in production and have become self-sufficient by government guarantees of paying \$6 per bushel, and that in turn has meant the installation of more pivots.

Even there, the problem they are facing is that they are reducing their watertables as a result. With all those incentives, in 20 years' time they could be back where they were except they would have destroyed the aquifer.

Mr. Swart: We could not agree more on that. The point I am trying to make, and I think anybody who looked into it in any depth would agree, is that we must preserve all of our best food-producing land in the world, and that definitely includes this nation. We have not been

doing that. We have been losing a lot of our most productive land in this province and in this nation.

I have here *Agricultural Land Use Change in Canada*, which was put out by Environment Canada a little more than a year ago, and it deals with this situation. We may argue with some of the details in that, and I know you have, Minister, but in general it is a pretty accurate description of what has been taking place in this nation with regard to the loss of our best food land, and it is serious.

There is a newer publication which has been put out entitled *Soil at Risk*. I obtained a copy of this. It is a very new publication put out by the standing committee on agriculture, fisheries and forestry to the Senate of Canada and it has been quoted quite extensively in the papers in the last few days.

It talks about the tremendous loss of our soil and it makes this comment: "Put simply, soil degradation is the depletion of the productive capability of Canada's precious soils and it is a costly problem. It is estimated that erosion of one inch of soil can reduce wheat yields by 1.5 to 3.4 bushels per acre. In southwestern Ontario, erosion problems have caused the loss in corn yields of some 30 to 40 per cent."

"On lands affected by salinization in the Prairies, crop yields have been reduced by 10 to 75 per cent, even though farmers have increased their use of fertilizer. It is estimated that at 1982 prices it would cost Prairie farmers \$239 million in fertilizer to fully recover the present loss of grain production from wind and water erosion."

This is the part I want to refer to right now: "More difficult to put a dollar figure on but equally as serious is the permanent loss of rich agricultural land to urban use. Between 1961 and 1976, Canada lost more than 3.5 million acres of farm land, the equivalent of the size of Prince Edward Island."

I think it is fair to say that this is a book which is fairly accurately documented. Of course, that has all been submitted to you over and over again by the Ontario Federation of Agriculture. They have expressed their concerns to you with regard to the loss of food land, and our best food land, in this province.

I would like to quote from page 4 of the 1983 OFA brief. "Since 1971," and I am quoting from this document in that brief, "over 1 million acres of farm land have been removed from agricultural production. Of that, 550,000 acres were lost between 1976 and 1981."

"The five-year loss between 1976 and 1981 alone, represents the equivalent of over 3,000 farms or better than 1.5 farms per day, assuming an average farm size of 180 acres. The total land holdings for tree fruits alone have decreased 11.6 per cent, or by 6,703 acres since 1976."

Then they go on to deal with the argument that you have put forward about all of the new land coming into production.

It says: "Since 1971 the amount of improved farm land has increased in 30 counties and districts, while the area under crop has increased in 46 counties or by 1.1 million acres. This is a remarkable statistic, given the obstacles faced by producers. However, it must be recognized that the land coming into production is not high quality agricultural land, nor can it be substituted for the prime food lands being lost."

I would like to read some of what they say in the brief presented to you just this fall, in September. They talked about "ploughing it under"—that is the term they used—in this piece entitled: "The Pressures on Rural Land Use in Ontario".

4:40 p.m.

It says: "We can create policies that allow for development while supporting the agricultural community, but we must act quickly to introduce commonsense policies if all of society is to benefit. If we procrastinate and do not deal with the major issue of land use, then the depletion of our soil will continue and we will plough under the future of the Ontario farm economy."

"It is easy to be deceived or to deceive when talking about crop land in the province. You would not be lying to boast that improved farm land in the province has increased by 1.1 million acres between 1971 and 1981, but you would also not be telling the entire story. When talking about land use it is as important to talk about the quality of land as it is about the amount of land. Obviously, an acre of well-drained land near Chatham can produce more food than an acre near Timmins."

"That sentiment is reflected in the Agroclimatic Resources Index, ACRI. ACRI compares all land in Canada with Essex county, considered to have the best growing conditions in the country. In making the calculations both the quality of the soil and the weather conditions, such as temperature, the length of the growing season and the amount of rainfall, are calculated. On the basis of the index acreage is then weighted in relation to Essex county. For example, an acre in Nipissing only has the value of two fifths of an Essex acre."

"How the ACRI system compares with the straight acreage calculations is best illustrated through an example. From 1971 to 1981 total farm land in Peel decreased by 31,386 acres while acreage in the Rainy River and Timiskaming areas increased by a combined total of 35,264 acres, a total loss of 3,878 acres. Using the ACRI system the Peel loss is valued at 78,467 acres while the northern gain equals 52,897 acres. In other words, there was a loss in productive value of 25,570 acres, although there was an actual increase in the acreage of crop land."

"Figure 1 illustrates the loss of crop land using the ACRI scale from 1961 to 1976. In most areas the loss was significant. An accompanying chart shows that Ontario contains virtually all the best land in the country. Even using traditional means of measurement, a recent federal study found that in the same period most areas of Ontario lost 20 per cent of production between 1976 and 1981. Balancing this off is the move to upgrade poorer land to support raising crops on an annual basis."

"As already mentioned, 1.1 million acres were improved over a 10-year period, but we have reached the point where most of the land in southwestern Ontario is producing at its potential."

I will not take time to read any more of this because the minister has read it, but I do want to point out the significance of it. I want to point out to you, and you will know that I say this sincerely—the preservation of our best agricultural land has been a concern of mine for a long time, since long before I entered this Legislature—that you simply have not taken steps to preserve our best agricultural land, whether it is last year, the year before or this year.

Hon. Mr. Timbrell: What about the Caledon area?

Mr. Swart: Yes, what about the Brampton area? Caledon by any yardstick made no sense. By a planning yardstick it made no sense to go into the Caledon area in that way. I presented a brief on the area; I am familiar with it. It was turned down, and for every reason.

But what about the Brampton area? Seven thousand acres in the Brampton area, where your ministry has approved 4,000 of it. You said, "No objection" to 4,000 acres, most of it class 1 land.

Hon. Mr. Timbrell: We have debated this before. Are you saying we should pass a statute that says no class 1, 2 or 3 land will ever from this day forward be used for any purpose other than farming? If you are, it would be a credible position—

Mr. Swart: You have interrupted and I let you interrupt, but I will answer it at this time. No; and you know that the answer is no because you have posed this question to me at least five times, and I am going to deal with it in just a few minutes.

You have in fact done little more than pay lipservice to the preservation of food land against urban encroachment, and I make that statement advisedly. This is definitely true in the Niagara region. We have a plan down there, the urban boundary plan, which limits the urban boundaries. I guess all parties spent close to \$3 million on it, those for and those against. You know very well that they added 64 acres of that. The Ministry of Municipal Affairs and Housing put another 64 acres of farm land into an industrial subdivision, which had been rejected before, at these hearings.

When the Preservation of Agricultural Land Society objected to it—and I brought this up last year—they said it was a frivolous objection. They now have that issue before the Ombudsman, and I will lay you two to one odds the Ombudsman is going to rule that the government misused its prerogative in calling that frivolous, as the minister did.

If your government is there, and unless there is a tremendous change in your policy, when we go out to the boundaries anyplace they will be expanded into fruit land. More fruit land will go; I have no doubt about that at all.

I have a clipping dated October 17, which is rather recent: "Experts Urge Region to Protect Rural Land." This is about the Ottawa area.

"An official from the Ottawa valley branch of the Ontario Institute of Agrologists told a regional planning committee hearing on Tuesday, that past efforts to protect farm land have been unsuccessful.

"Ted Huffman said a study last summer of the Ottawa valley branch of the agrology institute showed farm land is being developed for urban use at a faster rate than nonagricultural land. Huffman said farm land is taking more than its share of urban development in the region. A total of 10,503 acres of prime farm land was lost to urban development over the past 10 years. Huffman said the study found 85 per cent of the development in the Orleans area was on prime farm land, even though only 66 per cent of the total land available was prime farm land."

Far from protecting it, the majority of it is going even when there is other land available. As he says, past efforts to protect farm land have proved that little is being done to do it.

We have the hole in the doughnut in Mississauga, 12,000 acres of the best farm land which now has all been put in for urban development by your government. Granted, it is going to be phased, but it has all been put in for urban development.

Mr. McGuigan: When you shoot a goose, you shoot it in the soft underbelly. When you take land, you take the stuff that is easy and soft.

Mr. Swart: Yes, but we cannot go on doing that. I have two documents here on pits and quarries, on the policy of the Ontario government with regard to aggregate extraction versus its land use policy, the Food Land Guidelines. No one can read this without realizing that you are much tougher on preserving aggregate for extraction than you are on preserving food land.

Hon. Mr. Timbrell: Nonsense.

Mr. Swart: The Ontario Federation of Agriculture says the same thing in its submission to you. Do you want me to look it up and read it? They asked that you make the Food Land Guidelines as tough as the preservation of aggregate in Ontario. That is in the last brief they presented to you.

In the Food Land Guidelines, you make the statement: "The Food Land Guidelines will be implemented over the next few years as new official plans are introduced...Where a change to an official plan establishes a new area for development, it is expected that the procedures in guidelines will be followed...Over the next three to five years, with plans now under review and the regular amendment of plans, it is expected that official plans will be brought into conformity with the guidelines."

4:50 p.m.

That is the kind of language you use there, but when we come to the policy for preserving aggregate in Ontario, the word is "shall." "Zoning bylaws shall permit wayside pits and quarries in all zoning categories except in zones which are established to recognize existing development or areas of particular environmental sensitivity. The official plan should protect legally existing pits and quarries from incompatible use."

Nobody can read this document and compare it with the Food Land Guidelines without knowing that the priorities of this government are in aggregate extraction and not in the preservation of agricultural land.

The minister interrupted a few moments ago to ask me a question for which he in fact knew the answer, because I have tabled in the House an

amendment to the Planning Act that says exactly what my party and I mean. That amendment will be a simple amendment to section 2 of the Planning Act such that, after you list in the Planning Act about 10 matters you consider to be provincial responsibilities without giving any priority between one or another, we will introduce clause 2(a), which reads as follows:

"The minister, the council of every municipality, every local board, every minister of the crown, every ministry, board, commission or agency of the government, including the Ontario Municipal Board and Ontario Hydro, shall, in exercising any authority that affects any planning matter, give priority to the preservation for agricultural purposes of all specialty crop lands and of lands designated as class 1, 2 or 3 by the Canada land inventory of soil capability."

That is what we mean: simply giving priority. If you look up the word "priority" in the dictionary, it does not mean you are putting a freeze on it; it means you are giving it consideration. When the Ontario Municipal Board deals with a matter such as this, it will realize that the policy of the government of Ontario in passing such legislation is to give priority to agricultural land, that the province considers preserving our prime agricultural land to be its first priority.

This does not mean it cannot be used for other purposes, not at all; but it does mean that this has to have first consideration. Other considerations may overwhelm it in particular instances, but never has your government said it does give priority to preserving our best agricultural land for agricultural purposes in a place that counts, and that is in the policy statements of your ministry or in a section of the act. All of these, as you know, end up at the Ontario Municipal Board.

Nor have you gone out to municipalities and said, "You must put clauses in to preserve the agricultural land." But the government has gone out to Durham and other places and said: "You must show in your plan that there is an aggregate resource within this municipality, and you must reserve it for aggregate extraction." You know this was done in Durham and almost every place where the municipality has not been inclined to go along with the resource policy of your government.

I would like to move on, Mr. Chairman. I will conclude by five o'clock, although I have more here that I would like to refer to on the second area of food land conservation. That, of course,

is with regard to the matter of the loss of topsoil and the quality of the land.

I do not need to remind you again that there have been all kinds of notices in the paper lately. I get a bit amused, actually, at seeing articles like "Soil Erosion Cost Placed at \$1 Billion a Year;" and then within days seeing an announcement by the minister: "\$30-Million Plan Will Fight Soil Erosion Near Lake Erie," or: "Soil Conservation: Ontario to Step Up Programs, Agricultural Ministry Leadership". I have to grant you top marks for politics. Once an issue such as this becomes hot, you jump on it and get going.

If it takes that, as long as it is done I am happy about it; but I am afraid it is not going to be done to the degree it needs to be done.

Mr. McGuigan: This is the first time you have mentioned this.

Mr. Swart: No, it is not the first time I have mentioned it, by any means. Might I point out, so we have the record straight, it was Don MacDonald—and the member for Huron-Middlesex will know this—who raised this issue repeatedly. He spoke at the Soil Conservation Society of Ontario. They have given him full credit for being one of the people who highlighted—

Mr. McGuigan: I gave him the material for that. He will tell you that.

Mr. Swart: Jim is quite serious. You did not give him the material for all the speech but he did consult with you on that matter. I know it is a matter in which you have had a real interest.

Mr. Riddell: I spoke at the same meeting. I shared the platform with Donald MacDonald.

Mr. Swart: It was Donald MacDonald who got the most coverage on that and had the most impact, if I dare say that. I think that is true, Jack.

This is not a new issue. I recall when I was living on a farm, soil conservation was a major issue. I remember them talking about crop rotation. Jim knows all this, how necessary it was for crop rotation, how necessary it was in many areas for contour ploughing, how it was important to have reservoirs on the farm. All these things were very important 30 or 40 years ago.

Somehow or other it got missed by the government and by most people for several decades. Now it is back in the limelight.

I must say that the minister's government resisted this pretty strongly when people such as the soil conservation society were promoting it. I have the letter your deputy minister wrote back at that time—I am sure you have seen it—to the soil conservation society's Ontario branch. You

intimated they were crying wolf, making a much bigger issue than should be made of this. That was only on April 15, 1982.

Hon. Mr. Timbrell: Who wrote it?

Mr. Swart: This is signed by Duncan Allan, your deputy minister at that time. They wrote to him and sent him a copy of the brief that was developed subsequent to that meeting you were at. They asked to meet with him to discuss this matter and he said:

"I do believe, however, that prior to such a meeting your chapter should obtain more documentation in support of your paper. At present the paper contains many general and broad statements which are not supported by facts and which tend to create incorrect and unrealistic concerns.

"In your paper you leave the impression that soil erosion is a province-wide problem, which I do not believe to be the case. I feel that for an effective paper you must be very specific as to the areas where erosion is a significant concern. Also, you should present specific data to support statements relative to soil loss and reduction in crop productivity as a result of such erosion. When you have compiled the data I have requested, then I believe we would be in a good position for a fruitful meeting."

Mr. McGuigan: It sounds like Reagan on acid rain.

Mr. Swart: Yes, it does. This documents everything they said.

Hon. Mr. Timbrell: Within about eight months of that we had such a report from the Ontario Institute of Pedology, which was instigated by our ministry when Mr. Allan was deputy minister.

Mr. Swart: That is right, because of public pressure and pressure from Don MacDonald who, I think you will admit, at that time raised the matter on several occasions.

5 p.m.

There are other things I want to say but I have used up my fair amount of time. I will raise them during the individual votes. I have raised major issues.

I believe agriculture simply must be given a higher priority by the government of this province, whether you become the Premier or whatever is the case. It is now one of the most depressed segments of our society. I know there is a lot of unemployment, but it is certainly one of the most depressed segments of our society. That must be reversed, not just for the sake of farmers, but for the sake of the future of Ontario. There

must be a higher percentage in the budget for agriculture. There must be much more done for import replacement and there has to be much more done to maintain and enhance our land base.

With that I will conclude so we can get out of here on time.

Mr. Chairman: Thank you very much. The minister can reply to the questions next Wednesday. We have 12 1/2 hours left. I have no intention of asking the committee to sit any longer than five hours. We have today, but according to the hours, that would be two full Wednesdays plus a Wednesday morning.

Do you want to saw off at two Wednesdays or do you want the full time allotted?

Mr. McGuigan: We want the full time.

Mr. Chairman: You want the full time allotted. It is up to the committee. I am easy, but I do not feel like asking the committee to sit 6.5 hours one Wednesday and six hours another Wednesday.

Mr. Riddell: I certainly have no objection to sitting until five o'clock on Wednesdays, as we have done today. I do not think it has interfered with any of our plans.

Mr. Chairman: You are only going to have that extra hour in on the two Wednesdays, and you are an hour and a half short.

Mr. Riddell: We can see how well we get along with the estimates by that time. It may well be that we will have completed the estimates if we sit the next two Wednesdays until five o'clock.

Hon. Mr. Timbrell: Could you start earlier than 10 o'clock?

Mr. Riddell: I am here by eight o'clock in the morning. I am quite prepared to start earlier.

Mr. Chairman: Other committees are not sitting any longer than five hours a day. I do not know why I should ask that of the members here. It is up to them if they want to sit longer.

Mr. Gillies: I would be quite happy to. I can appreciate the minister is particularly busy at this time. If we have to come in a bit earlier in the morning and sit later in the afternoon, I would be more than pleased to do that.

Mr. Chairman: Maybe an hour for lunch instead of two would solve the problem.

Hon. Mr. Timbrell: I have an additional problem there in that cabinet meets on Wednesday. I do have to go up for a while just to take part in some things.

Would it be agreeable to sit from 9:30 to 12:30 and from two o'clock to five o'clock? In that way, we can get in all but half an hour of the remaining time in the next two Wednesdays.

Mr. Chairman: That is agreed.

Mr. Riddell: It is agreeable to me.

Mr. Chairman: Okay, 9:30 next Wednesday. The committee adjourned at 5:02 p.m.

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No. G-6

Hansard

Official Report of Debates

Legislative Assembly of Ontario

Standing Committee on General Government

Estimates, Ministry of Agriculture and Food

Fourth Session, 32nd Parliament

Wednesday, November 7, 1984

Morning Sitting



Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, November 7, 1984

The committee met at 9:39 a.m. in committee room 1.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD (continued)

Mr. Chairman: We will resume on vote 2001, item 1.

On vote 2001, ministry administration program; item 1, main office:

Hon. Mr. Timbrell: Mr. Chairman and colleagues, there were a number of questions raised last week. I would like to begin to deal with them as they were raised. Unfortunately, I understand Mr. Riddell cannot be here today. He was good enough to send me a note yesterday indicating he had a dentist's appointment this morning in his riding, so he would not be able to attend.

Mr. McGuigan: It is a root canal.

Hon. Mr. Timbrell: Is that what it is?

At any rate, in his opening remarks Mr. Riddell indicated, and I think this quote is accurate, that in 1980 the realized net income for Ontario farmers decreased by almost 30 per cent. He went on to say in the succeeding years there have been no revitalizing major upswings.

We have checked the data, particularly from Agriculture Canada, which keeps reasonably good data on these things, and found that from 1979 to 1980, rather than a 30 per cent decline, there was a 13 per cent decline. It is still not very desirable, of course, but not of the dimensions that have been suggested. Then we found that in the following year, from 1980 to 1981, according to these data, there was an increase of 34 per cent. The best estimates currently available do indicate that in 1984 the realized net income is expected to be about 50 per cent higher than it was in 1980.

Then Mr. Riddell went on to make some comments. He said, "With alarming increases in foreign, nonresident ownership, farming should not have to prove itself relevant to ideas of economic nationalism."

Mr. Swart: Mr. Chairman, I am not sure whether you want us to interrupt.

Hon. Mr. Timbrell: Fine.

Mr. Swart: I am trying to relate your net income figures in the statement to what is in your Agriculture Statistics for Ontario, publication 20, which gives the income of farm operators from farming operations for 1979 to 1983. Did you say you expect it to be up 50 per cent or 15 per cent?

Hon. Mr. Timbrell: The estimates are that 1980 to 1984 realized net income will be, I am told, 50 per cent higher.

Mr. McGuigan: That is 1984 over 1980?

Hon. Mr. Timbrell: Yes.

Mr. Swart: I am puzzled because, if you look at the bottom of the page—I am on page 4—the total net income, and this is from farming operations, was \$775 million in 1980. In 1983 it was \$811 million. Even if there is a projection this year for a 10 per cent increase, that will not bring anything like a 50 per cent increase.

Hon. Mr. Timbrell: I am talking about line 6, the realized net income, which is realized gross income minus the operating and depreciation charges. In Mr. Riddell's opening statement he was talking about realized net income, not total net income, which is the line to which you are referring.

If you look at 1980 because that was the base year to which he was referring in his opening remarks, the realized net income was \$673,769,000. It is estimated this year to be in excess of \$1 billion.

Mr. Swart: Surely the total net income is the pertinent figure, the important figure, is it not?

Hon. Mr. Timbrell: They are all important.

Mr. Swart: The total net income the farmer has.

Mr. McKessock: Do you have another one of those books with the statistics?

Hon. Mr. Timbrell: We can get some more if we do not have them here.

Mr. Swart: I do not want to get into semantics on this, but if we are trying to find out the exact position of the farmers, it seems to me the total net income is the significant one.

Hon. Mr. Timbrell: I think the difference is that realized net income is cash in hand, receipts in hand less current costs, whereas in item 9, where you start talking about total net income,

you are getting into changes in the value of inventory, which then gets you into a whole different debate.

With regard to actual realized net income, income minus expenses and cash in hand, then rather than a 30 per cent decline from 1979 to 1980, it was about 13 per cent; and rather than no appreciable change, which Mr. Riddell was suggesting, the increase from 1980 to 1984 was something of the order of 50 per cent.

Mr. Swart: I would just point out that it seems to me the net income is a more correct indication of the farmer's position in that particular year, of his financial situation, the overall farm income.

Hon. Mr. Timbrell: I understand what you are saying. However, I think that gets us into a wholly different debate, particularly because of the changes that have occurred in the last two or three years in the financing of agriculture, with its moving more towards evaluations based on cash flow rather than on assets. That is, if anything, perhaps a more important figure than item 9. Perhaps we can get back to it.

Mr. Chairman: The minister may want to carry on. The members can keep track of the questions and they can be answered at a later time.

Hon. Mr. Timbrell: Whatever you think. I do not mind answering as we go.

The second point Mr. Riddell got into was the question of ownership by foreign individuals and corporations. I will not quote verbatim everything he said because it would take too much time, but contrary to what was stated as his opinion last week, I have to say there has not been an alarming increase in nonresident ownership. In fact, since April 1983 when the Land Transfer Tax Act was amended to close the 20 per cent tax loophole through corporate share transfers, there has been a significant decrease in the amount of farm land being acquired by nonresidents.

If you look at page 23 in the estimates briefing book we gave to all members, you will see in table 1 the significant decline in this activity since the introduction of the legislative amendments our ministry actively campaigned for and worked to introduce with one of our sister ministries.

The gross total of land registered to the end of June 1984 was 176,281 acres, but the net figure was 169,046 acres. That comes about because a number of people who had previously purchased parcels of land of 100 or 200 acres and had registered that land under the terms of our legislation became resident in Ontario.

I am sure we all agree it is a healthy thing to encourage more good farmers from wherever in the world to come to this province. Under the terms of the legislation, if they are not landed immigrants at the time of the purchase, they must register the land as being foreign-owned until such time as they do arrive.

Mr. McGuigan: A few of them sell their property too.

Hon. Mr. Timbrell: I was just about to make that point. Because of changes in circumstances or changes in the political situation in their own countries, some sell off their interest. Some of the more than 7,000 acres that have been deregistered would fall into that category as well.

Mr. Riddell raised another question about numbered companies. Of the land registered between May 1, 1983, and November 1, 1984, only one corporate numbered company is involved. That is apparently a Swiss individual who plans to emigrate to Canada. It involves only 232 acres. Because of those changes in the legislation, that activity has virtually died away.

9:50 a.m.

I should also point out that there was some suggestion in Mr. Riddell's opening remarks that there is or was a legal means for nonresidents to circumvent registering their land interest under the requirements of the Non-resident Agricultural Land Interests Registration Act. This is not the case. There is no legal way around the act, and there are some fairly significant penalties for those who try to circumvent it.

Again, I would ask him if his legal advice is to the contrary. In other words, if a lawyer has indicated to him that there is some way to circumvent this legislation, that is not to register the ownership of land purchased by foreign nationals or foreign corporations, I would like to know about it, to be sure it is cleaned up.

Mr. McGuigan: Did he say how it was done?

Hon. Mr. Timbrell: No. The final point I would like to make is that there was some suggestion made by Mr. Riddell in his opening remarks that our figures are inaccurate. I am not sure whether it was the estimates from last year or the year before, but we went through this, where he was alleging that the amount of land we were showing as being foreign owned in—was it Morris township?—was lower than actual. We checked and rechecked and I challenged him at that time to prove me wrong. To the best of my recollection, he has yet to do so. I guess I will just have to leave that standing.

If he knows of any instance in any township where there is more land owned by foreign nationals or corporations than is shown, I would like to see his proof. In the event that he is right and the system is deficient, it will then be corrected.

Mr. McGuigan: Just to make a point, I see in here it says one per cent.

Hon. Mr. Timbrell: Yes.

Mr. McGuigan: I remember when Lorne Henderson was minister, when I first came up, that half of one per cent was the figure used.

Hon. Mr. Timbrell: I have always referred to one per cent in my three years.

Mr. McGuigan: Have you always used one per cent?

Mr. Ediger: For the last three or four years.

Hon. Mr. Timbrell: Yes, as Mr. Ediger says. I am just trying to help Hansard out here.

Mr. Swart: Do your studies indicate whether or not the highest percentage of this is class 1 land? I went over this some six months ago to see where it was located, and it appeared that a disproportionate amount of this one per cent of purchased land is good Ontario farm land. If this is the case, I would estimate it to be about one and a half per cent of our class 1, 2 or 3 land. Can you confirm or deny this?

Hon. Mr. Timbrell: Maybe Mr. Ediger or Mr. Dunn will come up. In the meantime, I will say that if I were looking at investing in farm land anywhere, I would want to invest in good farm land. I would not want to invest in class 5 land.

Mr. Swart: That is obvious, but I just wanted to—

Hon. Mr. Timbrell: Correct me if I am wrong, Don, but my recollection is that the biggest holding by a foreign corporation is the Wells Land Co. in Rainy River. Is that class 1, 2, 3, 4 or what?

Mr. Dunn: I believe it is class 2 and 3.

Hon. Mr. Timbrell: It is 2 and 3 and is not poorer than that. This is the biggest individual registration, an American company, the Wells family. They run a lot of cattle along the Rainy River valley.

Mr. McGuigan: There is a little fine tuning here regarding the land. It is about class 4 in climate.

Mr. Swart: If you took in the climatic factor—

Hon. Mr. Timbrell: When you factor everything in, it is different.

Mr. Swart: Perhaps, Mr. Chairman, it would be better if we did not interrupt the minister until he is finished. I suppose we will come to all these things again in the individual votes.

Mr. Chairman: That is what I indicated.

Hon. Mr. Timbrell: Mr. Riddell raised questions with regard to the rate of farm bankruptcies and the relation to debt and alleged expenditure. I think it bears repeating that while farm bankruptcies in Canada this year have been growing by 25 per cent, with large increases in Quebec, Manitoba, Saskatchewan, Alberta and British Columbia, they have actually declined slightly in Ontario.

The member for Huron-Middlesex (Mr. Riddell) was pointing out what he thought were discrepancies or glaring differences among the provinces in the expenditure per farmer. It is interesting to note that while Quebec may very well spend more than \$10,000 per farmer, that province is leading the country in farm bankruptcies.

I have talked to people in the Farm Credit Corp., as have others in the ministry. Hog farmers in Quebec are going into bankruptcy because they have been lured into unprofitable businesses or into enlarging or establishing businesses that could not be economic at the size they were encouraged to establish. The level of government expenditure does not necessarily relate to the profitability of the agricultural industry.

I want to share another interesting statistic. While the level of farm debt rose in Canada by 17.5 per cent between 1981 and 1983—and here the member was referring to a recent FCC survey—that debt in Ontario rose only 2.4 per cent. As a result of a number of things, including the Ontario farm adjustment assistance program, the beginning farmer assistance program and other activities of the Ministry of Agriculture and Food staff, in conjunction with the Ontario Federation of Agriculture, Christian Farmers Federation of Ontario and other organizations, we have done a better job than the other provinces in managing the debt and assisting those in need who have a chance to be viable again.

In some provinces, the government goes out and raises hundreds of millions of dollars. One of the speakers last week pointed out that Quebec has outstanding loans to farmers in excess of \$1 billion, money they have had to either borrow or raise through taxes.

The approach we have taken with BFAP is to tackle this problem in conjunction with the

private sector. The money that has been lent to date to beginning farmers has all come from the FCC, the banks and other financial institutions. If I remember correctly, that amount is in excess of \$135 million.

If we followed the approach of other provinces, we would have had to borrow or raise that \$135 million through taxation. Instead, it has come from the private sector and we are piggy-backing on to it by providing interest rate rebates. It seems to me this approach is a much better use of government revenue and provides for a much better relationship with the private sector than the other approach.

Mr. McKessock: The difference between us and Quebec is hardly worth mentioning. I know there is a slight difference. There were three fewer bankruptcies in Ontario this year than last year. We had about nine fewer bankruptcies than Quebec. The difference in the number of bankruptcies is very insignificant.

The big problem is that after a few years of bankruptcies we expect the number to drop off significantly, and we are not seeing that. It is like an apple crop. It is almost the same as last year. Bankruptcy crops should not continue year after year. They should run out.

10 a.m.

Hon. Mr. Timbrell: One never wants to underestimate the importance of bankruptcies, and every one is a tragedy in itself. Some are avoidable and some are not. But in that same period of time, from January 1 to September 30, in the case of Ontario we had 118 bankruptcies and in that nine-month period probably something on the order of 700 to 750 new farmers who came into the industry with the assistance of the beginning farmer assistance program. Then there are others who entered who did not apply and there were some who did not qualify because their assets were higher than the limits the program allows.

Just to compare, I will give the changes. Quebec's bankruptcies in that nine-month period, compared with the same period the year before, had gone up 63 per cent.

Mr. McKessock: They were catching up to Ontario.

Hon. Mr. Timbrell: I do not think that was their goal.

Mr. McKessock: No, but that is what happened.

Hon. Mr. Timbrell: Their numbers are higher than ours now, as a matter of fact. Alberta

was up 66 per cent, British Columbia was up 21 per cent and so on.

Obviously, we would all like to get those figures down farther than they are now, recognizing that even in the best of times, the so-called good old days of the early 1970s, there were bankruptcies that occurred for reasons that were individual to each case.

The point I was making, though, is that when we get talking about Quebec again—and we will be getting into this later when we talk about various other sectors—if we had the land base and the climate of Quebec and if we also had a program, which that government does have, of agricultural self-sufficiency, then we would have to spend a lot more.

Mr. McGuigan: That is surely getting into the heart of this matter. We really cannot make these various comparisons until we get down to comparing sectors, livestock sector versus livestock sector. One would expect that with the advantages we have—climate, nearness to the west or western feed grain, and all these sorts of things—we would have a much lower rate of bankruptcy than Quebec.

The diversity of our farming in Ontario as compared to theirs is such that we have every type of farming in the world in Ontario; they are pretty limited in Quebec. It is really hard to make all these comparisons and make any sense out of it.

Hon. Mr. Timbrell: Another thing that I think is apropos of what the member is saying is that if we look at farm bankruptcies in Quebec and Ontario as a percentage of farms with sales in excess of \$5,000—and we usually have it broken out over \$25,000 as well, but it is not here—Quebec is about double ours at almost 0.4 per cent. Ours is 0.2 per cent. The national average is 0.17 per cent. We are close to the national average; Quebec is a little more than twice that.

Mr. McGuigan: I would not take any comfort in that.

Hon. Mr. Timbrell: I do not take any comfort in it, except that so many people like to dwell on bankruptcy figures as if to say that everything is going to hell in a handbasket, and it is not. There are many other dimensions, including the entries into the industry in recent times, particularly since we introduced the beginning farmer assistance program.

Mr. McKessock: Of the 750 new entries, how many were new and how many were already farming and their father simply retired?

Hon. Mr. Timbrell: I do not have those figures off the top of my head, but many of them are people who would have been working with parents and would be buying out the family farm or buying one of the family farms, situations like that. That is desirable, surely. One of the things we set out to do is to ease the intergenerational transfer so that young people who want to stay in farming will be in a better position to do so.

Mr. McKessock: I am just questioning whether we can call them new or not. They may step in and take their father's place, so there is really no change. It is a switch from the father to the son.

Hon. Mr. Timbrell: But they are establishing a new enterprise; they are taking control of it and directing it themselves. That is one of the goals of the program, to make sure they are in a better position to do that, rather than having to see the farm sold out from under the family because of interest rates.

Mr. McKessock: I guess I was comparing it with the 118 who went bankrupt without a business. More than that went out without going bankrupt, but I question whether there are any brand-new ones who came in. There may have been some.

Mr. Chairman: I would think that will come out.

Hon. Mr. Timbrell: In that case, we have not had many new farmers for a couple of hundred years, because most of the farms in Ontario have passed from generation to generation.

Mr. McKessock: They are probably sold, because the number keeps decreasing.

Hon. Mr. Timbrell: That would be the logical conclusion of that argument.

We got into the question of farm debt and the member for Huron-Middlesex was relating 1971 figures to 1983 and the increases.

It is interesting that the latest Farm Credit Corp. survey has shown that farm debt in Ontario is about the same as it was in 1981.

That is due in part to the kinds of programs we have introduced, under which we have worked with individual farmers and their lenders to restructure their debt in many cases and to discourage the acquisition of new debt, to consolidate wherever possible and to improve on the management skills of those who need improvement.

The farm assistance program and the work of our ag reps and farm financial specialists have been key factors in that. I do not think enough praise and credit can be given to them for the

work they have done. As well, there are the co-operative efforts we have had with the federations, working for example with the Ontario Cattlemen's Association and with individual producers to help them sort out their problems. All of that has contributed to the stabilization of the farm debt picture.

We may want to get into this further when the member gets back, but he indicated that employment in Ontario agriculture had dropped from 153,000 in September 1983 to 125,000 in September 1984. I am not sure of his source. I am told we have to look on an average annual basis, recognizing that one harvest season to another can be quite different. Therefore, we can see wide fluctuations in the numbers of people at work at a particular time.

If we take the photographic approach, just take a picture of one week or one month as compared to one week or one month of another year, I am told that on an average annual basis the numbers do not reflect a dramatic decrease. There is fair consistency.

The next point had to do with bankruptcies and I think we have covered that fairly well. About three years ago, we were at a point where more than half the farm bankruptcies in Canada were in Ontario. I think the corrective steps we have taken since have been very positive. In that category we are now—and I guess this is nothing to boast about—at about 28 per cent, which is roughly the level of Canadian agricultural production that is in this province.

Going back to the questions the member raised about the expenditures per farmer in Quebec versus the percentage in Ontario, he related them back to this business of the percentage of the budget. When he or anyone else says he thinks Ontario should be spending more of its budget on agriculture, I have yet to hear anything specific on whether it should be twice as much or two and a half times as much or half as much again. I suppose to some people's ears it is good rhetoric, but very short on specifics.

10:10 a.m.

Mr. McKessock: We could start with twice as much and then see what happens from there on.

Hon. Mr. Timbrell: Make agriculture a ward of the crown in the process.

Mr. McKessock: I have a letter I will read later.

Hon. Mr. Timbrell: Okay.

The other point I would make is that—I am not sure whether it is the case in Quebec or other provinces; I have not examined their budgets in

detail—in this province the budget of the Ministry of Agriculture and Food does not give the complete picture of the government's commitment to agriculture.

When we include programs in other ministries, such as the Ministry of Revenue to take one example, there are fuel tax rebates and various other rebates and assistance. I am not including things from the Ministry of Transportation and Communications or the Ministry of Education; these are strictly things that are assistance of one kind or another to individual farmers. The total budgeted expenditure for this year for the government of Ontario is more like half a billion dollars, which is closer to 1.8 per cent of the provincial budget. I would like to get into that later.

As far as proposals for doubling expenditures, we may have a different philosophical base from which we work. My approach is to target assistance and try to make people more independent of government, not more dependent on government. I would like to get into that.

Mr. McKessock: I think that would be a good idea if we did not have to compete with the treasuries of other provinces, but when we do, we have to have a different approach to it.

Hon. Mr. Timbrell: I would like to get into that a little later because I think we do have a fundamental difference in our philosophical approach.

The member for Huron-Middlesex referred to a speech made about three years ago to the Bruce county federation or the Bruce county cattlemen, one or the other, by my former deputy minister on the question of a farm bank. At that time, which was prior to the introduction of the Ontario farm adjustment assistance program and the beginning farmer assistance program and a variety of other programs, Mr. Allen did say that if the lenders did not respond to the needs of Ontario farmers, we would have to look at establishing a bank.

Since then they have responded in a variety of ways, particularly through these two programs, in co-operative ventures with the government. While it is a subject that is being looked at by this federal-provincial task force on agricultural credit, I do not anticipate at this point that a farm bank, as such, is in the cards in the immediate future.

I will be indicating later in the month, once we have concluded some discussions with the lenders, what we are going to do with OFAP. The only thing I can say at this point is to repeat what I have said publicly before, including on the day of

our meeting with the Ontario Federation of Agriculture executive, that I cannot foresee simply cutting the program off at the end of 1984. There are still some people who require its assistance and I will speak to that later in the month.

In the area of agricultural trade, we have been making significant progress in that area. When we compare 1980 to 1983, our agricultural and food imports rose by \$194 million and our exports rose by \$288 million.

Mr. McGuigan: Hogs are a big one.

Hon. Mr. Timbrell: Hogs would be a significant factor.

I see that one of our principal opponents in the American Congress went down to defeat last night, according to the last report I read: Senator Jepsen in Iowa. I hope that will ease things a little bit.

Mr. McGuigan: They probably replaced him with someone worse.

Hon. Mr. Timbrell: I always look to the positive side, why is the member looking to the negative? It is not Jesse Helms anyway.

Mr. McGuigan: One time I heard Senator Byrd speak about imports. It was awful.

Hon. Mr. Timbrell: They are great free-enterprisers until it gets into an area like that.

In that period of time, we have begun a number of initiatives aimed at different aspects of the import/export question, including the import replacement programs under the Board of Industrial Leadership and Development and the recently announced export initiative in the United States, through which we anticipate primarily we can double our exports by the end of this decade and thereby increase opportunities for our farmers.

Mr. McKessock: Who is going to buy the product?

Hon. Mr. Timbrell: Through the missions we have had to date in the United States and the market analysis we have done, we have found there is a very large opportunity for us in the United States. Most of our trade with the United States to date has been in the border states. We also had a mission about a month ago to Los Angeles and sold \$8-million worth within a day or two.

Mr. McKessock: Do you not expect the United States is hoping to do the same thing, to expand within its own country and export as well?

Hon. Mr. Timbrell: It is called free enterprise; it is called competition. We have the

products, particularly specialty products. I myself have been on only one mission to the United States, to Detroit about a year and a half ago. It was specialty products that were very well received there—baked goods, specialty hams, wines, beer and greenhouse vegetables.

Quite a few of the greenhouse growers farming not too far away from the member for Kent-Elgin (Mr. McGuigan) were with us and are doing quite a good job now in Michigan and Ohio, down Interstate 75, with their greenhouse cucumbers and tomatoes. There are good markets there for apples. We have a shipper at Port Colborne who is now shipping several truckloads a week of apples as far south as Atlanta. So the opportunities are there.

We have had missions in recent years to Los Angeles a couple of times and to Dallas. Just in the last 18 months we have taken our trade in potted and bedding plants from virtually nothing in the New England-New York-Pennsylvania area to what is now \$10 million a year. That has been through the efforts of one or two people in our ministry working with the industry here, pinpointing specific opportunities, taking them there, bringing the buyers up here and that sort of thing.

The opportunities are there; it is a matter of capitalizing on them. What we are going to do is add some staff in the branch who will be dedicated to the American market. In 1985 we will add some people to existing Ontario government offices in the United States whose sole responsibility will be the agriculture and food trade.

Mr. McKesock: With all the agricultural countries trying to expand their agricultural base, I question how much opportunity there is. No doubt there is always some. We know there is opportunity for food, but not necessarily dollars. We see on television these days so many starving people. Have you ever considered increasing your budget to buy food from Ontario farmers to distribute in these countries?

Hon. Mr. Timbrell: That is a federal responsibility. I would like to see it. Except for dealing with crises, we are not in an ongoing international aid program. I would like to see the Canadian International Development Agency do two things. One would be to establish a closer relationship with the provinces for the purchase of surplus agricultural commodities for distribution directly to people in need, whether it be Ethiopia or wherever. The second would be to give more attention to the technology transfer of international aid.

10:20 a.m.

We have just recently signed a deal with CIDA and Indonesia for a specialized veterinary laboratory in that country. Helping them overcome indigenous veterinary medicine problems is a very effective use of our resources and our expertise.

We should give some more thought, in consultation with the federal government and the private sector, to the barter system. Many countries which would like to have such things as pure-bred livestock or agricultural food products are not in a position to pay for them but do have products we require.

When I met with Israel's then minister of agriculture a little over a year ago, we talked about bartering, for example, our tobacco for their orange juice or avocados or various other commodities in demand here, but which we do not grow ourselves. I have since pursued this with a few people in the private sector and I hope it goes somewhere.

Mr. McGuigan: The sad part is that we have to trade food product for food product.

Mr. Chairman: Just a minute. A lot of these questions are on vote 2004. We are dealing with vote 2001. Why not continue with your answers to Mr. Riddell? You probably also have some for Mr. Swart. We can get into these specifics afterwards.

Hon. Mr. Timbrell: The next point Mr. Riddell raised was about the budgetary allocation. Again, I would remind him that this year we did have the largest percentage increase of any of the ministries.

This is primarily because of the number of new programs or the enhancement of existing programs, such as the increase in the farm tax reduction program, the income stabilization program, the Ontario farm adjustment assistance program, the beginning farmer assistance program, the new revenue development initiatives and others.

On the question of the red meat industry, on January 1, 1985, we will have in place the new income stabilization program. I went to Ottawa last Friday to meet with the federal minister again. My understanding is that he will be introducing the legislation for that within the next few days. Barring any problems in committee, we would be in place to proceed with tripartite on January 1.

My intention is that if there are any further holdups there—one never knows what will happen once it goes into committee—we will introduce our own bipartite program based on the

same principles and formulae as the agreement we have with the federal government and the prairie provinces. We will do it in such a way that, once tripartite can proceed, our program will fold right into it.

Mr. McKessock: With one government less.

Mr. Chairman: Whoa, just a minute.

Mr. McKessock: Is the provincial government going to take up two thirds?

Mr. Chairman: We will get into that in detail because there are others who want to ask questions on that too.

Hon. Mr. Timbrell: The point is, it is going to proceed. It has not been easy. We have gone through three federal ministers in developing this program. Also, there has been a variety of changes among the provincial ministers. It has finally been achieved. When we started down that road in March 1982, a lot of people thought it was impossible.

Mr. Riddell's next point had to do with the comparison of grain, bean and livestock prices. We can get into that a little later. However, it is interesting to note that in 1984 slaughter steer prices in Toronto are expected to be above both the 1980 price and the break-even cost of production.

He referred to hogs as well. While the 1984 price is expected to be a little bit below the 1982 price, it will cover operating costs and most of the capital costs. Mr. Riddell indicated his information was that the price of lamb was going to be down. Our information, from tracking prices this year, indicates it is going to be up from 1980's price. This is a bit of a mug's game. If you take a snapshot of any point in time and then compare it to another specific point in time, you can make almost any argument you want.

Mr. Riddell raised the question of the stabilization programs in effect in some of the other provinces. It has been our objective all along to get away from that particular field and the competition among the provincial treasuries. With the introduction of tripartite, we will be able to achieve this with four of the provinces.

I forget the clause number and subheading, but it is interesting to note that part of our agreement commits the federal government to make this the only show in town. Once tripartite goes through, there will be no federal stabilization money for red meat in any province that is not a signatory to tripartite.

This is a major concern of the ministers in the Atlantic provinces, Quebec and British Columbia because they, particularly the ministers in

Quebec and British Columbia, have been arguing all along that an improved national tripartite program is fine, but they would like to have some top loading.

This is an absolutely non-negotiable item. We are not interested in any further top loading. This is the problem we are in now. The existing Agricultural Stabilization Act is inadequate. As a result, there have been a variety of measures introduced by the various provinces for the red meat industry that led to this situation of competition between the treasuries.

Mr. Riddell made some reference to the state of the beef industry, particularly the feedlot sector in southwestern Ontario. My information, from talking to people in the Ontario Cattlemen's Association and individual producers in the southwest, is that one part of the rationalization of the industry in recent years has been to cease feedlot operations on some of the most valuable and productive land in the province.

Part of this rationalization results from a shift of parts of the industry to other areas of the province, where the land is less expensive and more likely to give a good return for alternative crops. I think your own area is probably a good example of this, Mr. McGuigan.

Mr. McGuigan: You are talking about soil erosion. It is part of the picture.

Hon. Mr. Timbrell: Yes. As a matter of fact, Mr. Riddell's next point was on soil erosion. Later on we will have a chance to get into the specifics of the new programs we have introduced and to mention some of the discussions that are under way with the federal government on a new program for phosphorus reduction.

Mr. Riddell quoted an individual from Oxford, I think.

Mr. McGuigan: Hartt.

Hon. Mr. Timbrell: Was he called Hartt? I do not know whether I have that here. He spoke at a conference in Ridgeway last year; Mr. Riddell quoted his comments. It is interesting to note that in those comments Mr. Hartt referred to two or three projects he thought were good examples of initiatives taken by the farm community to deal with soil erosion.

I say it is interesting because the Ministry of Agriculture and Food has been involved in every one of those projects. While no reference to our involvement was made at the time of his speech, and certainly not in the remarks attributed to him, we were, in fact, involved in every one of those projects.

Mr. McGuigan: I am not sure of the quote you are talking about, but Hartt said to me, and I

can hear it ringing in my ears, "The Ministry of Agriculture and Food has no programs."

Hon. Mr. Timbrell: Of course, this is not true.

Mr. McGuigan: That is what Hartt said.

10:30 a.m.

Hon. Mr. Timbrell: I know that is what he said. There are three parts to it.

Mr. McGuigan: Was it a high pressure leak?

Hon. Mr. Timbrell: No. This is a memo to me, perhaps as a result of your contribution. This was back in January. One of the things he said was there was an excellent group of farmers up in Huron county. He went on to elaborate on that without acknowledging that our staff had been involved with this tillage project. We provided \$7,000 in grants through the Ontario soil and crop improvement program.

Mr. McGuigan: However, the initiative came from the farmers.

Hon. Mr. Timbrell: That is fine. He went on to talk about a pretty good group in Oxford county. That group received funds under our old farm productivity incentive program to purchase new till equipment. A member of our staff, Harvey Wright, was involved with them. It is not true that we do not have a program.

The fact that we introduced a new program last year and commissioned a study by the Ontario Institute of Pedology was an acknowledgement that more needs to be done. The recent redeployment of some of those funds to provide more field staff to work with farmers on a one-to-one basis and our discussions with the federal government on the phosphorus reduction program are an acknowledgement that more needs to be done.

I will not dispute that for a moment. However, I will dispute anybody who says there is no program at all or there is no interest at all.

Mr. McGuigan: He said it.

Hon. Mr. Timbrell: I know he said it. Apparently, he is known for that. It is an unfair statement to make, particularly when that individual has been involved in a number of programs with direct government funding and direct assistance from government staff.

We will go on from there. Mr. Riddell asked about the status of the demands for financial assistance for the United Co-operatives of Ontario. I have had a lot of correspondence on this from UCO members, staff, their competitors and members of the House. In this case, some members have come right out and said we should not do anything; we should let the marketplace

prevail. Others have said, "If you are going to do something, make sure it is on a proper business basis." A few have said, "Give them whatever they want."

We are not going to do the last. Going back to when UCO first came in to see us about a year and a half ago, we were not prepared simply to panic and grant them what they were demanding at the time. We had a proper evaluation of UCO done by Price Waterhouse. It has now ended up in charge of restructuring things, as a result of the late August Supreme Court action.

As a result of that analysis, we indicated we were prepared to be involved in assisting UCO as long as two things were done. The first was to put the debenture holders, many or most of whom are retired farmers or survivors of retired farmers, into a secured position. As it stood, if something had happened to UCO, those debenture holders would have had no security at all. We wanted to move them into a secured position and that has been agreed to.

The second thing we demanded as a condition of our involvement, was that a proper business turnaround plan be put in place, with the full commitment of the board and senior management of UCO. The analysis that was done for us and our own analyses indicated a number of things that had been going on in UCO could no longer be allowed to go on.

We acknowledged they had made a number of very tough and, we think, correct decisions. They sold off their new head office and leased it back, sold off their rolling stock and leased those vehicles back and sold off the chicken processing operation about two years ago now. However, there are many more tough decisions that are going to have to be made.

The position at this point is they now have to get the approval of their major creditors—the banks, the Canadian Co-operative Credit Society and the debenture holders—for this course of action. In the event they are successful in getting that approval, we, along with the federal government, will be assisting them.

There is another thing I should indicate. What we have offered them based on these conditions is a \$7.5-million, repayable, interest-bearing loan. It is not a grant or a handout. It has to be done on a proper business basis. The position of the federal government is that it wants its assistance to be directed via the Windsor terminal.

Mr. Riddell went on to ask questions about the Food Land Guidelines and the food land preservation policy statement. We are currently work-

ing with the Ministry of Municipal Affairs and Housing in finalizing a new statement that will be issued, I hope, in the near future under the provisions of the new Planning Act. Once it is circulated and comments are received, our goal would be to complete the new policy and bring it under the act in 1985. After release of the statement, approximately three months will be allowed for comments from all interested parties.

Mr. Riddell went on to refer to some concerns that have been registered with me by the Ontario Hereford Association. The member for Middlesex (Mr. Eaton) brought a group from the association in to see me about six or seven weeks ago. We had a good discussion about their concerns and ideas, some of which relate to the red meat development initiatives. A couple of meetings have been held with them since then to flesh out—no pun intended—their ideas and concerns.

The way we have set up the development initiatives is to have a red meat advisory committee made up, in the main, by representatives of the red meat industry whose advice we have followed fairly well in developing the plan. You may remember that the Ontario Cattlemen's Association registered some concerns a few weeks after the announcement of the initiatives back in May. We referred their proposals back to the same people we consulted. Their advice was to leave it as it was and is at this time, and give it a chance to work.

The position I have taken with all interested groups is that this is a five-year plan. As we get more experience with it, we may find that some parts of it are not meeting our expectations and others may be exceeding our expectations. Therefore, adjustments will be made from time to time after consultation with the same group of people—I say the same group; individuals may change from time to time. However, we will go through the same process, recognizing we in government do not have all the answers and those people on the front line have a lot of the answers.

The other concern raised by the Ontario Hereford Association had to do with the marketing system. I will be meeting with the executive of the Ontario Cattlemen's Association next week to discuss the report prepared by Davis, Gaunt and Barrie. I will also be meeting next week with the executive of the sheep association to discuss the report prepared by the commission chaired by Mr. James, following which I expect to release those reports for public review.

10:40 a.m.

The next question had to do with vegetable imports. I suspect we can get into a fair bit of detail on this later on. I am not even sure which vote it would be. Since 1982-83 we have had a very active import replacement program, and we can discuss it at that time.

The next question had to do with the Canada-Ontario crop insurance program and whether or not we anticipate offering coverage for separate fields. This is, after all, a federal-provincial program. Even if we wanted to do something like that, it would have to be with the approval of the federal government which pays half the premiums and up to this time the federal government has not shown any interest in doing that.

Mr. McKessock: You can speak to your federal friends in Ottawa.

Hon. Mr. Timbrell: When we were in Winnipeg in July the Manitoba government, which, as I recall, has some part of its program that allows for individual field or individual farm coverage, was trying desperately to get out of that and move to the Ontario model because of all the problems.

Do not forget, the Crop Insurance Commission of Ontario, while it is chaired by a very fine individual in our ministry, is made up in the main of representatives of the leading farm organizations in Ontario. They have, in fact, the majority of the votes there, and the commission has consistently rejected these requests.

Here are the five or six points used in rejecting that. First of all, they pointed out that Ontario provides coverage of up to 80 per cent of individual average farm yield. Second, yield collection is essential to both coverage and claims. Third, it is as impossible for a multi-unit owner to demonstrate the source of the yield as it is for the commission to prove the source.

The example they use, Mr. Chairman, is to picture yourself in a McIntosh orchard. At the end of the day, it is very hard to tell where the yield from any tree has gone, since the fruit from more than one tree goes into a bin.

Mr. McKessock: But these crops are inspected as they mature. It is not just at the harvest time.

Hon. Mr. Timbrell: Yes. Let me carry on.

The fourth point is that the commission's loss experience demonstrates that there is no statistical difference between average or large farms. If there is no difference in losses, then there is even less of a reason, in their view, for separate coverage. Again, I remind members this is coming from the commission, made up in the

main of leading farmers whose advice we respect.

Fifth, separate coverage on separate parcels would result in the poorest being insured, with resultant increases in risks and rates. The last thing the commission wants is excessive rates and adverse selections. After all, the program was established to get away from the high cost of private insurance.

Finally, it is possible for an insured to have a claim and experience an above-average yield, which is not the intent of the program. They go on to give some examples.

This has been reviewed on several occasions and, to date, the commission's advice consistently has been to retain the present system, which, as I say, the Manitoba NDP government is trying to emulate.

The final point, again, is that any changes would have to have the approval of the federal government which, after all, pays half the premiums.

Mr. McGuigan: They should have a little more faith in the farmers.

Hon. Mr. Timbrell: I do have a lot of faith in farmers. That is why, in this case, I listen to the farmers on the Crop Insurance Commission.

Mr. McGuigan: I am saying the commission should have more faith.

Mr. McKessock: I wonder what area of Ontario those commission members come from? There are certain areas of the province where one farm may experience a crop failure and another farm five miles away may not.

In our area, it is quite possible for a farmer who owns another farm five miles away to find an altogether different situation on his second farm, or vice versa.

Hon. Mr. Timbrell: The three members are the nominees of the Ontario Federation of Agriculture, the Christian Farmers' Federation, and the National Farmers Union.

A chap up in Renfrew, Aldon Powers, is the NFU representative—have you got the list handy? We will get the list, but they are all leading farmers drawn from around the province.

No, that is right. Mr. Powers is on stabilization. I have him mixed up with this. We will get the list, so you can see where they are drawn from.

This leads us to the next point raised by Mr. Riddell, which relates to the question of a northern representative being on the commission. There is no reason why a northerner could not be on the commission. I will take this under

advisement when considering future appointments.

The next question related to defective farm implements. We recently expanded the membership and the mandate of the Ontario Farm Machinery Board, which is responsible, as you know, for working out disputes between farmers and dealers or distributors of farm equipment.

In 1983 the board received 100 complaints. Only 14 per cent, and therefore 14 of the complaints, dealt with poor power equipment performance; 18 concerned field implements and farmstead equipment. Contrary to what Mr. Riddell thinks, we are not finding a big increase in complaints concerning warranty service and repair parts, as compared to previous years. It seems to be at a fairly constant level.

All 100 complaints were investigated by the secretary-manager, seven ended up before the board. In every case, the board made recommendations and settlements that were accepted by all of the parties involved, so it would appear that the system is working reasonably well.

Mr. Riddell's next question was whether we would consider financing a study to examine the feasibility of the establishment of a meat-packing plant in northern Ontario. There are several points I would like to make here.

First, there are already 19 provincially-inspected meat-packing plants in northern Ontario. Four of them have grading services, which of course assists them in the marketing of their products. During the past 15 years we have provided financial assistance to 10 of these plants, for new construction, expansions and equipment.

Eight of these were financed through the Agricultural and Rural Development Agreement at approximately the 50 per cent level and two were supported through the Northern Ontario Rural Development Agreement. Our assistance to these plants has totalled in excess of \$400,000; so we have been involved in this area for some time.

Mr. McKessock: Are these small slaughterhouses?

Hon. Mr. Timbrell: Given the population concentrations and distances involved here, I do not think that you are going to see a Canada Packers-style plant established. The analogy I would draw is to eastern Ontario, where there have been suggestions made from time to time about having a major slaughter plant established there.

My own thinking, and that of the ministry, is that we are doing better in trying to improve the

capacity of the existing small slaughterhouses, rather than attempting to develop one big slaughterhouse that in the end would put the small operations out of business.

Mr. McKessock: Are you saying there are 18 slaughterhouses and only four of them have grading facilities? Does that mean 14 of them are custom slaughterhouses?

10:50 a.m.

Hon. Mr. Timbrell: There are 19, 15 of which are custom.

Under the recently announced AgriNorth program I understand there are some people in the Sudbury area who are contemplating making some proposals to us concerning an expansion of existing facilities. We will be examining this proposal, to determine whether it is commercially viable, and if it will meet local requirements.

The next question was whether we would support the conservation of wetlands through an extension of the 60 per cent rebate. Where wetlands are assessed as farm property and meet the criteria for the farm tax reduction program, we now pay the rebate. However, wetlands that are not assessed as farm property are not eligible under the program.

I understand the Ministry of Natural Resources is taking a look at this question and they may well move on it, but we can rebate taxes only on land which is, in fact, assessed as farm land and meets the production criteria.

Mr. McKessock: Are the Ministry of Natural Resources rebating on that? I understand it is 50 per cent, is it not?

Mr. Swart: That is not a rebate. It is a reduction.

Hon. Mr. Timbrell: They have increased it, the same as I have, on the woodlots.

Mr. McKessock: It is a reduction in assessment. It is not a rebate.

Mr. Swart: I was just going to say it is true that there is a substantially lower assessment on the wetlands generally than there is on farm lands. Then they have a substantially higher multiplication factor; that is where you get into trouble.

Hon. Mr. Timbrell: This last year—and the changes have been made in the program for 1984—we have also included wood products as an allowable contribution to gross farm income. That can be particularly important for some of the smaller farm enterprises in eastern and northern Ontario, where people regularly sell wood for

heating purposes. We have allowed that to be included in the gross farm income calculations.

The next question had to do with day care. As you probably know, following consultation with our staff and the release of the report prepared by Molly McGhee, the Ministry of Community and Social Services has introduced a new package of improvements for Ontario's rural child care system. They have allocated an additional \$990,000 for 1984-85, to expand and to build on existing services.

They are planning to increase the number of child care resource centres in the rural areas from 40 to 56, at a cost of \$500,000. Depending on local need and circumstance and family preferences, these centres will provide drop-in facilities, parent/care-giver relief and emergency child care programs, care-giver and parent education groups and co-operative baby-sitting networks.

They have also allocated \$100,000 for a demonstration rural hub model, as they call it, similar to the resource centres, for the more extensive testing of various programs.

I think this is a good start. There is no question that, as they learn more about how best to provide child care services in rural areas—

Mr. McGuigan: When was that report released?

Hon. Mr. Timbrell: I think it was about mid-September. We will get you a copy of it, if you want.

The next question had to do with the Ontario student assistance program. This has not come up too often. In fact, prior to last week it had only been raised with me once. However, the formula used for this program includes a unique exemption for up to \$75,000 income from farming before constraints to loans and/or grants are applied. There is, of course, an appeal mechanism.

In fact, the net asset value has recently been raised from \$75,000 to \$120,000. As I say, judging by my own correspondence and talking to private families and students around the province, I am not aware that this has been a major problem.

Mr. McKessock: I think it is a major problem. I do not think they use the correct formula for farm income. About that \$75,000, a farmer is allowed \$75,000 more for assets. Everybody is allowed \$75,000 in assets but a farmer is allowed an extra \$75,000, I believe it is, or everybody is allowed \$80,000 or something like that.

The formula they use is such a conglomeration of add-ons and subtracts it is hard to follow. One of the biggest problems is they do not give any

explanation to the student when they turn him down. For the farmer to figure out why he was not eligible is a terrible thing.

They should be working on net income for the farmer. I guess there is not that much difference between net and gross when we talk about the average person, but with a farmer we cannot talk about gross income when we are figuring out one of these things. We have to talk about net income and they are not doing that.

Hon. Mr. Timbrell: I do not profess to be an expert in OSAP, the Ontario student assistance program, by any means. From the information staff have provided me, \$75,000 is taken off income. In addition, the exemption was increased in recent times to \$120,000 from \$75,000.

Mr. McKessock: The problem is if one's assets are too high and the person is not making any money, he is not going to receive student assistance. The only way it appears one can receive assistance is to sell one of those farms. That does not seem like a practical way of looking at it. Just because his unit is not making money in these poor times, his child is not going to receive student assistance. He is eligible from the standpoint of making money, but he just is not making money.

Hon. Mr. Timbrell: Is this not the same kind of problem anybody can run into, regardless of whether it is a farm family or not?

Mr. McKessock: No, I do not think so.

Hon. Mr. Timbrell: They look at the assets of any parents.

Mr. McGuigan: There is a good answer to that.

Mr. McKessock: The assets of any parents are different. They do not need an extra boat or an extra cottage or whatever, but the farmer does need those assets for his business.

Hon. Mr. Timbrell: No, I am not talking about that.

Mr. McKessock: If we are talking strictly about business assets, then it is a different thing.

Hon. Mr. Timbrell: I am. I am not talking about personal—

Mr. McKessock: If we are talking about the average business person, that could be so.

Hon. Mr. Timbrell: I think it is.

Mr. McGuigan: The average commercial farm today is \$500,000. But I do not think it is quite fair, just because he is not making money, if one has to sell part of his business in order to send a student to school.

Hon. Mr. Timbrell: When we get to that vote, we will see if we can have some staff who are more familiar with that than I am here to discuss it.

The next question had to do with ARDA. The farm enlargement program, as members will know, began in 1966. In 1978, the federal government unilaterally terminated the program. In June of 1983, we initiated procedures to wind up the program by the end of 1987.

Since then, any property given up by a lessee has been declared surplus. All the lease renewals given were written to expire by the end of 1986, which leaves 1987 as the one-year period in which the properties will be sold either to the lease holders or to others.

There is really not much more I can say about that program. The federal government has expressed no interest in renewal of the program, certainly not in a new program of land purchases by the government. With the introduction of the beginning farmer assistance program and other credit initiatives we would hope will come out of discussions with the federal government, the need should not be as great as it was almost 20 years ago.

11 a.m.

The next question had to do with the Canada pension plan. Both levels of government have indicated they are prepared to look at the concept of homemakers' pensions, which is one I personally support. That is being followed up, albeit by other ministries of this government, with the federal government.

The next question had to do with the level of consulting services and the development of new programs in recent years, of which there have been a number. In 1983-84, the level of expenditure for consulting services was slightly in excess of \$1 million. This year we have instituted a new central registry of all contracts, together with the supporting documentation all the way from tender call to contract award.

The level of expenditure in the last fiscal year was down by more than \$250,000 from the year before. I do not think I have any figures here for the current year. I do not believe we will be anywhere near where we were last year. Just to give some examples, there was a lot of work required in a very short time using outside consultants to put the beef financial protection plan in place, and in the analyses of the red meat industry, which was not carried on in the main this year.

The next question had to do with the same issue, so I will wait until the member for

Huron-Middlesex gets back and see what else he wants to get into there.

The next question had to do with the numbers of classified and unclassified staff. I will just walk you through this. In 1983-84, we had 1,482 classified and 740 unclassified staff, with 795 people on fee-for-service per diem contracts. Those contracts included veterinarians, lay meat inspectors under the meat inspection program, various board and commission members, instructors at the colleges of agriculture, crop insurance appraisers and adjusters, review committees under various guaranteed loan programs and in 1982-83 only, fruit and vegetable inspectors.

I will go backwards because in 1982-83, due to the last point I mentioned, the number of fee-for-service per diem contracts was in excess of 1,400; 1,409 to be exact. That year we had 876 unclassified staff and 1,486 classified.

Mr. McKessock: What is the total of all those?

Hon. Mr. Timbrell: If you add just the classified and unclassified, you have in 1982-83, 2,362; and in 1983-84, 2,222. There is a reduction of four classified and 136 unclassified staff.

Mr. McKessock: How many were on contract?

Hon. Mr. Timbrell: On the fee-for-service, it went down from 1,409 to 795.

There was a question about the number of vehicles. As of March 31, 1984, our ministry owned 341 vehicles. Do you want that broken down by make? We had 30 American Motors vehicles, 109 Ford vehicles, 40 General Motors vehicles and 162 Chrysler vehicles.

Mr. McGuigan: No Ladas?

Hon. Mr. Timbrell: No Ladas, no Hondas, no Volkswagens.

The member asked about trips that I or senior staff of the ministry have taken. Since I became minister in February, 1982, I have been on five export missions. The first, in May, 1982, was to England and Belgium.

In 1983, I was in Japan with the pork mission, which was very successful. I was in Israel and England—somebody has a note here that I was in Germany in 1983; I was not in Germany in 1983. I know I was not. The trip was a combination; I think I spent about four days in England with a mission that was promoting apples, carrots, and onions, then we spent about three days, maybe four, in Israel on an exploratory mission that I referred to earlier.

This year I was in England again for a couple of days in February. Again it was a combination; it was to spend some time with the tobacco people and also with a grain corn mission, which is proving to be very successful.

Then I spent about six days in Bahrain and Saudi Arabia in connection with the food show in Bahrain. I met with government officials and some of the leading traders in the Saudi Arabia market which, as you may recall, is one of the ones that is proving to be most successful for us and where we are having some significant achievements.

I was back in England again in March. That was put together fairly quickly after the opening round of negotiations between the tobacco manufacturers and the marketing board. You will recall at that point indications that their requirements would drop from—I forget whether it was 210 million or 215 million pounds in 1983 to about 140 million pounds in 1984.

Mr. William V. Doyle, my assistant deputy minister, and I took the chairman of the Flue-Cured Tobacco Growers' Marketing Board and the chief negotiator for the manufacturers to England. I think we were gone a total of three or four days.

We met on several occasions with the chairman of the tobacco advisory council of the United Kingdom and its members and then we met with representatives, usually presidents, of all of the major buyers in the UK. As a result of that trip and some assistance we have offered since then in the export development program, we were instrumental in getting them additional poundage so that instead of 140 million they ended up with 170 million.

There may be more information Mr. Riddell wants later, in which case we can get into that.

11:10 a.m.

He asked whether my parliamentary assistant has access to government cars and the answer is yes, when transportation is required for the performance of ministry business. If I ask Mr. McNeil to represent me at a county federation meeting or at a fair opening or whatever—there are obviously many demands on my time and I do frequently ask him to represent me—that's government business and he has access to the pool.

Mr. McGuigan: Is he a good rep?

Hon. Mr. Timbrell: He is a very good rep. He relates very well, as you know—you share a county with him—to individual farmers and to farm organizations. I never have any qualms

about sending Mr. McNeil to represent me anywhere.

The member asked questions about other trips in 1981 and 1982. We do have each year, of course, between 30 and 40 trade missions in various parts of the world. I have found it is very helpful, and in some markets essential, to have a senior person head the mission: for instance, when I was in Japan almost two years ago, and about eight or nine months ago in Saudi Arabia and Bahrain.

By virtue of my being there, which is no particular credit to me personally but rather to my office, there were many doors opened to us within their governments and within the private sector that would not have been opened had it been headed up by one of the export specialists, market development branch.

Mr. McGuigan: So why did you not support Canagrex?

Hon. Mr. Timbrell: What? That is a bit of a non sequitur. I supported Canagrex as far as the co-ordination of international trade efforts is concerned. I think it is ludicrous if you have three or four departments of the federal government running all over the place, never talking to one another and never co-ordinating their activities. To the extent Canagrex could co-ordinate that effort, I support it. They have not done so yet. They have hardly done a blessed thing.

Mr. McGuigan: One of the biggest arguments in favour of Canagrex is the one you just made.

Hon. Mr. Timbrell: Yes. I support that. It is when they included the infamous buy-sell clause in the legislation provision that I parted company with the previous government. I see no need for Canagrex to be given that power.

Mr. McGuigan: Tell that to the Niagara grape growers.

Hon. Mr. Timbrell: That is not Canagrex. That is the—

Mr. McGuigan: It is a similar operation.

Hon. Mr. Timbrell: That is a different board formed specifically to deal with emergency surplus situations. Why create another one if you already have that authority in the agricultural products board?

I got very nervous when I was Minister of Energy many years ago when the then federal Minister of Energy, Mines and Resources and his staff came up with a proposal for something called Petro-Canada. At the time, I expressed grave concerns about where this was going to

head, whether it was the beginnings of a state oil company, that sort of thing.

Mr. Swart: Like Suncor.

Hon. Mr. Timbrell: You know my position on that.

Mr. Samis: Do you want to talk about it?

Mr. McGuigan: Do we know your position on that?

Mr. McKessock: We are wasting time. Let us get—

Hon. Mr. Timbrell: All right, I will tell you my position. Do you want my position?

Mr. McGuigan: Yes, we would love to know your position.

Mr. McKessock: What is it? Are you allowed to talk about that?

Hon. Mr. Timbrell: Yes, I will come back to it. Where was I? Oh, yes. When I expressed those concerns—

Mr. McGuigan: Reaching back for dry land.

Hon. Mr. Timbrell: When I expressed those concerns, the then federal minister said: "Oh, look, do not worry. It has a very small budget. It is just going to do a little research and development work and maybe help finance a few exploration projects. Do not be concerned."

I was concerned and it turns out my concerns were justified because, all of a sudden, Petro-Canada grew like the proverbial Topsy.

When I first looked at the Canagrex issue, and I raised similar concerns about where it might go, the then Minister of Agriculture said, "Do not worry, it has a small budget; it is just going to help out the private sector." I said, "Yes, I have heard that before."

The way it stands now, though, they have done hardly anything since their formation nine months ago. I hope they will do something, but if they do not, I think Mr. Wise would be well advised to simply scrap it.

There was a question about polling. I think we have answered this before. We did one in 1982-83 on the Food Land Guidelines at a cost of \$14,950. Also in 1983-84 we did a survey of Ontario consumers and farmers, which was very helpful as far as our Foodland Ontario program was concerned—our marketing efforts—and that cost \$57,000.

The next question had to do with communications employees. We have eight people directly responsible as of the end of March 1983. The fiscal year was the time frame that was asked for. There were two clerical support staff.

Mr. Riddell asked me to take it back to the 1977-78 fiscal year, at which time there were seven employees directly responsible for communications and information with the public and the press. Since 1978 there have been additional responsibilities assumed by the branch. There has been an increase of one employee directly responsible for this work. The number of clerical and support staff in 1978 was three, it is now two; so it is about the same in terms of the numbers of people.

The next question had to do with advertising budgets. I will just take it through the last three fiscal years. The total advertising in 1981-82 was \$1,690,533; in 1982-83 it was \$2,555,528; in 1983-84 it was \$2,316,364. In all cases, these were contracts awarded on the basis of tenders, of course.

This includes Foodland Ontario, advertising crop insurance and special programs like farm site improvements, summer and winter employment programs, the livestock protection agencies and the red meat initiatives. There have been a number of new programs in the last couple of years that required additional advertising to make their availability known, such as OFAAP and BFAP. Whenever we have introduced things like the beef financial protection program and others, we have had to advertise to make them more widely known.

With the introduction of OMAF News, which we are taking out of savings within the ministry, I am hoping that we would be able to do less advertising to make many things known.

Mr. McKessock: Do you have 1980-81 there?
11:20 a.m.

Hon. Mr. Timbrell: No, I do not.

Mr. Riddell asked how much it cost us to produce the bicentennial film, *Proud Beginnings*. The cost of the film was identified as \$25,000, which my staff advised me is rather low for a film of this length and quality.

You may know that several of the staff of the ministry have won a number of national and international awards for films they have produced on farm safety and for the school system. I am told that had this been produced commercially, the film would have cost about \$90,000, but our staff produced it for \$25,000.

There was some question raised about the use of the term "cash crop" in relation to racehorses. Apparently there was a little bit of poetic licence on the part of the screenwriter and we will try to avoid that sort of thing in the future.

I am getting now into questions raised by Mr. Swart. He quoted a gentleman from the Canadian

Bankers Association at its recent conference, who estimated that something like 17 per cent of farmers are in financial difficulty.

I guess you can use the term "financial difficulty" in a variety of ways, but apparently this same man, Mr. Ashmeade, later clarified his remarks by stating that, while in his mind something like 17 per cent were having problems, only 1.5 to two per cent of the farmers would not survive. Even in this area, you are going to get a variety of estimates depending on whom you ask.

It is interesting, of course, that the headline in that particular case is never, "83 Per Cent Are Not In Difficulty." I guess that is part of selling newspapers.

In all of our discussions with the lenders—and we are in regular touch with them, of course, because of our co-operative programs—they have generally indicated that only about five per cent of their clients are in arrears by 90 days or more.

As I say, I am not sure of the source of this gentleman's 17 per cent figure, but it is inconsistent with what we have been hearing on a regular basis from the lenders with whom we have been dealing. They are, of course, all of the chartered banks, in addition to a number of credit unions and one or two trust companies.

Mr. McGuigan: One of the reasons that figure is low is because the wives are out working, bringing in money to keep the farm afloat.

Hon. Mr. Timbrell: The incidence of farm wives working is growing, there is no question, but then we go back to the figures we were talking about before on net farm income and they are not all bleak, by any means, when you look over the last four-year period.

He also quoted an average net farm income of \$9,900. That is a figure I saw again on the weekend in the *Toronto Star*.

I have to caution you that that figure is derived from all farms in the province, including farms with sales of \$250 a year or less. It is everything, from someone who keeps a few chickens and sells the eggs at the local store up to the largest agricultural enterprise in the province, so it is more than a little bit misleading.

Again, he got into questions about the farm backup season. I think we have already covered that.

Mr. McKessock: Just before you leave that, it was, I think, the Farm Credit Corp. survey that said 17 per cent had financial problems.

Hon. Mr. Timbrell: I guess it means different things to different people. All I can tell you is, in

dealing with the banks, they have indicated consistently their problem group of clients comes to about five per cent and, in those cases, they define "problem" as being in arrears by 90 days or more.

Mr. McKessock: This survey the Farm Credit Corp. did also said 76 per cent have enough financial strength for a reasonable chance to survive. It is not saying they are in great shape.

Hon. Mr. Timbrell: One can play with the words all one wants. Was that the same survey which showed that the average farm equity in Ontario was still in excess of 80 or 81 per cent?

A number of matters Mr. Swart raised were not at all dissimilar to those raised by Mr. Riddell. He raised questions about a commitment to developing credit programs.

We will be meeting tomorrow and Friday with the other provinces and the federal minister to go over a task force report which has been prepared by a group of staff drawn from the federal government, Farm Credit Corp, and several provinces, including our own. In the report, they will be making recommendations on short-term things we can do.

We will be interested to hear tomorrow what plans Mr. Wise has for the Farm Credit Corp. He told me last Friday he was going to announce a pause, as it were, in the foreclosures by FCC until they can look at their portfolio and their policies; that has, in fact, been announced this week. There are a number of long-term things recommended there as well.

I hasten to remind members Ontario was one of the first in the country to support the agribond concept and to make a commitment. It was not a commitment just from myself, as Minister of Agriculture and Food, but also from the Treasurer (Mr. Grossman), to paying our share of the cost for such a program.

That is something to which the new government has committed itself. How quickly they will be able to move, I guess we will get some idea tomorrow from Mr. Wise and also from the financial statement which will be made tomorrow night by the new Minister of Finance.

Mr. Swart, in his opening remarks, made the allegation the OFAAP program has been more beneficial to banks than to farmers. In the current fiscal year, as of last Friday, close to 1,000 farmers have received guarantees under option C of OFAAP. This is the option through which we provide operating credit guarantees.

I guess we could get into some discussion about whether we would have better spent the money we put out on guarantees on more interest

rate assistance and just let those people become part of the bankruptcy statistics.

The way OFAAP has worked is that when interest rates were very high there was a very helpful cushion to protect individual farmers against those rates. Without the program, many of those people simply would not have survived, there is no question about that.

11:30 a.m.

Now that rates have come back down, option C is the one that is being used most and, here again, many of these farmers simply would not be in business this year if the government were not standing behind them with guarantees on their operating credit.

The next point had to do with the regulation of milk. I think I would rather save that for when the member for Welland-Thorold (Mr. Swart) is back and we can get into that issue under the appropriate vote; likewise with food land preservation and soil preservation. They are all things I think we can get into in the votes. I would prefer that he were here.

Just to give you the names of the members of the Crop Insurance Commission of Ontario, or at least their areas, the chairman is Morris Huff, who is with the ministry, of course. The members are Mr. Beamer, from Ridgeville in the Welland area; Hector Delanghe, whom you know well, from Blenheim; Mr. Eppel, from Courtland; Mr. Hawley, from Jasper in Grenville county; Mr. McRae, from Middlesex county; and Mr. Wismer, from Essex county.

On the point that the member for Huron-Middlesex (Mr. Riddell) was making about why there was no northern representative, there is no reason why a northerner could not sit on the commission and we will keep that suggestion in mind for the future.

Mr. McGuigan: Hay people will feel a lot better if people growing hay crops are represented.

Hon. Mr. Timbrell: They may, unless the decision still is not what they want.

Mr. Chairman: Okay, do you want to proceed with vote 2001? That is the administration part. Then we will get into land preservation, food land and red meat under the next vote.

Mr. McKessock: Can you give me the advertising figure for 1980-81?

Mr. Chairman: That is under vote 2004. Is that all right?

Vote 2001 agreed to.

On vote 2002, agricultural marketing and development program; item 2, red meat initiatives:

Mr. McKessock: Mr. Chairman, I would like to read the minister a letter that actually is a copy of a letter that was sent to him, but I know he probably does not get a chance to read all letters.

It points out what some of the people in my area feel about the red meat initiatives. It is a letter dated October 16, and it says:

"Dear Mr. Timbrell:

"Yesterday I took my husband's application to Markdale for your beef cattle development program. According to this plan, he has to join a club, weigh the cattle and become more efficient. I am enclosing a page from Farm and Country which I would like you to read, especially the article 'Money Flows to Beef.'

"We shipped a load of heifers today. They went for \$1.39 per pound dressed. If they dress 570 pounds each, they will bring \$792.30 per head. If we shipped those cattle in Manitoba and they brought \$1.675 per pound dressed, \$0.9553 live, they would be worth \$954.75 per head. The difference is \$162.45 per head. On our load that would be an extra \$2,436.75.

"We ship about 420 head per year and the extra would be, if they were shipping in Manitoba, \$68,229. And that would be really nice," she says. "It could go toward our bank loans; we could fix our holding pen; and you could keep your \$1,500 because we would not need it." She is referring to the \$1,500-capital grants in your beef initiative program. "We could even hire a man, which would reduce unemployment, and we could do something instead of working seven days a week, 52 weeks a year.

"I do not think it is a question of farmers becoming more efficient. It seems to be more a question of provincial government policy. Your plan will certainly make more work for the already-overworked farmer, and will give extra work in the agricultural offices, but unless we have fair prices all across the country, it will not do anything for the Ontario farmer."

I was sent a copy and so was John Wise. This is from Doris Coe, from RR 1, Flesherton. What she is getting at is that she would get \$68,000 if those cattle were shipped in Manitoba instead of Ontario; so you talk about provincial differences.

Hon. Mr. Timbrell: If she lived in Manitoba, that would be a gross figure. The net figure would be less than that because Manitoba's is a contributory plan. As a participant in the Manitoba plan, she and her husband would be responsible for a portion of the \$13 million or \$15 million debt, which is currently in that province's stabilization program. What she is getting at is

the crux of what we have been trying to do in establishing a new stabilization program.

Manitoba will be winding down its plan, as will Saskatchewan. Saskatchewan's debt in its plan, which is also a contributory plan, is \$30 million or \$35 million, a portion of which the participants are responsible for.

Mr. McKessock: What you are saying is all nice and good. It is like saying that each of us in Ontario is responsible for the \$20-billion debt the Ontario government has or the \$19 billion debt the Ontario Hydro has. Sure, we are all responsible for it.

Hon. Mr. Timbrell: Do not play games with it. We are talking about red meat, and you brought up the Manitoba example. With the introduction of the tripartite—and they are one of the ones that have to date indicated their intention to participate—that plan will be wound down. There will not be that difference in the future. I would point out that even those figures are misleading because that is a gross figure. You have to take out of that what they would have paid to register those 400-plus head in the Manitoba plan. I am not sure also how they are going to handle the debt situation in Manitoba—

Mr. McKessock: A lot of premiums can be paid with \$68,000.

Hon. Mr. Timbrell: —whether they are going to charge it back to the participants or not. I doubt they would, but that is what we are trying to get out of and what we are going to get out of.

Mr. Swart: If I can just supplement that. I suggest to you that you are the one who is playing games with it, not Mr. McKessock. These are insurance programs. We know that. We know the tripartite is going to be an insurance type of program.

Hon. Mr. Timbrell: That is right.

Mr. Swart: We know there is a possibility of major deficits in that as well.

Hon. Mr. Timbrell: Not the way we have set it up.

Mr. Swart: We know there are payments to the farmers out of that, which will be gross payments and they will have paid premiums. The simple fact remains about that business in Manitoba. They had an insurance program which would have paid \$68,000 to them. Granted, they would have paid premiums and all the rest of it, but that is the argument in favour of a stabilization program.

We know you have to pay premiums into it. They have a program there. We have not had one here, and the farmers in Ontario have suffered.

Obviously, they would have had to make payments into it, but the farmers have suffered here to a very substantial degree because there has not been a bipartite program. I do not think it is fair of the minister to indicate these people would not have been better off if we had had this kind of program in Ontario.

We do not know and you do not know what the Manitoba government is going to do about that debt. It is a debt against the program at present. They may fund it to pay it off. Saskatchewan may fund it to pay it off. I do not know. You probably know better than I. Maybe they will incorporate into the tripartite program, which I doubt. But the fact is, these people would have had these payments and would have been substantially better off if Ontario had had a program such as Manitoba has.

11:40 a.m.

Hon. Mr. Timbrell: This is going back to three years ago, when I came to the ministry. I guess I had a very simple choice. I could try to up the ante in this interprovincial bidding war or I could try to end it. I opted for the latter. We have been successful in getting an agreement to do that.

Mr. McKessock: However, you could have got that even if you had to give Ontario farmers the same assistance other provinces were giving.

Mr. Swart: Certainly he could have.

Hon. Mr. Timbrell: No, we could not.

Mr. McKessock: You could have because—

Hon. Mr. Timbrell: No, we could not.

Mr. McKessock: What were they doing? Holding you for ransom?

Hon. Mr. Timbrell: You know very well, because the president is not that far from your position and politically he is a cousin of yours, that the Canadian Cattlemen's Association has steadfastly opposed—

Mr. McKessock: A cousin of mine?

Hon. Mr. Timbrell: A political cousin.

Mr. McGuigan: An NDP.

Hon. Mr. Timbrell: Do they have some of those too? The association has steadfastly opposed the kinds of programs you are saying you would prefer we had brought into the province. Even within our own cattle industry, the Ontario Cattlemen's Association has opposed getting any farther into this bidding war. As I say, I had a choice. A few months before I became minister, we had just made a payout of \$57 million. I could have institutionalized that and made it an annual

feature, which some would have liked us to do and still would.

Mr. McKessock: Only until the tripartite stabilization plan is in force. You did this at the expense of the Ontario farmers. You could just as well have given them the same payments as other provinces and had your tripartite stabilization plan too. In fact, I think you would have got it sooner because the other provinces have us at a disadvantage and they do not mind keeping us there.

If our farmers were getting the same assistance as in other provinces, they would have been in a greater hurry to get that stabilization through than they were. Quebec farmers come here and can outbid our buyers. They even leave the cattle they buy here, feed them through on our feedlots and then take them back to Quebec and get the assistance for them. They had an advantage because of what you were doing.

Hon. Mr. Timbrell: I will tell you how we could have got it sooner, and that is if you had been able to convince your federal minister to move sooner. It took him two years to agree to our proposal for tripartite stabilization. We had nothing but stalls and delays.

Mr. McKessock: However, you understand that people on the farms do not care what kind of negotiations you have with your minister or what goes on or how far in debt you are. They care about what assistance you are going to give them and how you are—

Hon. Mr. Timbrell: Please do not try to avoid that. We were ready to move with a new tripartite program—particularly Ontario and Alberta—in the spring and early summer of 1982. It was not until February 1984 that we got the agreement of your government in Ottawa.

Mr. McGuigan: The Progressive Conservatives blocked it the last couple of days.

Hon. Mr. Timbrell: No, they did not.

Mr. McKessock: As I say, the farmers do not really care about this political passing the buck.

Hon. Mr. Timbrell: The PCs were not in charge of the order of business of the House of Commons at that point. There were indications given to the then House leader—now Mr. Justice Pinard—that that bill would be allowed to go through the House without debate, if time was a problem. However, the government of the day ordered the business of the House in such a way that on June 29, it and another important agricultural bill related to the tobacco industry were put at the bottom of the list, behind some

very contentious legislation that ate up all the time.

Mr. Chairman: Mr. Swart.

Mr. McKessock: No, I would like to finish on that just for a moment.

Mr. Chairman: Mr. Swart, do you have a point of order?

Mr. Swart: No, it is a supplementary. I will have a point of order in just a minute, Mr. Chairman. I am not sure what vote we are on at this time. I think we should go to the votes now, but I just wanted to make further comment on this.

I say again that I find it difficult to believe you would have jeopardized the whole plan if you had put in a bipartite plan of your own. First of all, the Ontario Federation of Agriculture asked you in a special brief last year to make a payment of some \$67 million, which was based, as I understand it, on the formula which had been developed for the tripartite program. You could have made that. I do not think the Ontario Federation of Agriculture would be asking for something which would jeopardize the future of the plan. Not only that, you have now given the indication that if a tripartite plan is not there, you are going to have a bipartite plan.

The main reason you did not is the money it would have cost. Farmers were at a disadvantage in this province because you did not have the bipartite plan. You might have had some objections from an organization or two, if you had put it in as the others had it, but to say you could not have worked out a bipartite plan with them is not, I suggest, either a factual or a reasonable statement.

Hon. Mr. Timbrell: With all due respect, as much as is due, you are mistaken if you think the Alberta Cattle Commission, the Canadian Cattlemen's Association and the Alberta Cattle Feeder Association, to name just a few, would have continued to support the development of a tripartite program if Ontario had followed your advice.

Mr. McKessock: They sure would have and fast.

Hon. Mr. Timbrell: No, they would not have. The advice we have had from all of them—I met with a group representing the Alberta and Saskatchewan cattlemen in February—was that if we were to follow that course, they would withdraw their support.

Mr. Swart: That is not a very well-founded excuse.

Mr. McKessock: They were just shooting you a line.

Hon. Mr. Timbrell: And you are not?

Mr. McKessock: No. I feel they would have acted much more quickly. They had us at a disadvantage and it was a benefit to them.

Hon. Mr. Timbrell: We could have had a program in place in 1982 but it is historical now. The fact is, when you raised it in the House and elsewhere, I kept urging you to pick up the phone. Did you ever call Mr. Whelan to urge him to move quickly?

Mr. McKessock: Sure I did and I wrote him several times.

Hon. Mr. Timbrell: What did he tell you?

Mr. McKessock: The same thing he told you, that he was moving on it.

Hon. Mr. Timbrell: I hope you did not believe it any more than I did.

Mr. Swart: A point of order, Mr. Chairman.

Mr. Chairman: Point of order; Mr. Swart.

Mr. Swart: The point of order is the allocation of time. We have now spent eight hours altogether on the leadoff statements and the reply by the minister. That seems to me a disproportionate amount of time.

I stepped out for just a moment because there are some matters I have to attend to occasionally. I understand you replied to mine very briefly.

Hon. Mr. Timbrell: As a matter of fact, I withheld responding to yours because you were not here. I knew you would be back, so I cut my brief rebuttal.

Mr. Swart: Perhaps we can proceed with that. I think we should get to the votes as quickly as possible where we can deal with specific issues. I am concerned about that and I am sure everybody here is.

Mr. Chairman: That is what we are doing. We have carried vote 2001. We are now dealing with vote 2002, with the red meat initiatives.

Mr. Swart: Okay. Are we then going back to the minister's rebuttal to my concerns? In any event, on the point of order, if I can I would like the reply by the minister to be somewhat less detailed in the future because we get into these issues on the votes.

Hon. Mr. Timbrell: Either way we get out the detail. It amounts to the same period of time.

Mr. Swart: I suggest we finish with the tripartite plan and marketing and come back to the reply to me if you wish it. I leave it in your hands.

Mr. Chairman: He might as well, I think he had one page of reply left.

Hon. Mr. Timbrell: No, it was more than that, but as I said earlier, we would be getting into the issues during the votes. I am happy to wait for the votes now that we have started.

Mr. Chairman: Okay. Do you want to continue?

Hon. Mr. Timbrell: The item is the red meat initiatives, which is the \$12.5-million program.

Mr. McKessock: I will say a little on that, but first, let us discuss your assistance or lack of assistance to Ontario farmers. It is not too late. That is why I am still bringing it up. I am not just trying to condemn you for what you did not do in the past; I am telling you it is not yet too late to assist them.

11:50 a.m.

You have left Ontario farmers behind the competition in other provinces. People tell me they have driven through these other provinces and noticed farmers have been able to keep up their machinery, replace it at regular intervals and maintain their buildings. Something Ontario farmers have found awfully hard to do in the last two or three years is to replace that old machinery, which is gradually wearing out, and to keep their assets, capital buildings and so forth up to the standards they should be meeting.

I will wait until I get the minister's attention.

Mr. Chairman: He is listening.

Hon. Mr. Timbrell: I used to be a teacher.

Mr. McKessock: If you would still come through with some assistance now, you would allow these farmers in Ontario to catch up. If you do not, they are going to be behind for years to come. I think it is your responsibility as Minister of Agriculture and Food and as a hopeful Premier—

Hon. Mr. Timbrell: Did you say “hopefully”?

Mr. McKessock: —“hopeful Premier” for a short time, to see that Ontario farmers can compete equally with their fellow farmers in other provinces by bringing them up to the level that the others have.

Hon. Mr. Timbrell: First of all, may I just deal with that?

Mr. Swart: Mr. Chairman, on a point of order: I do not see any place in vote 2002 for dealing with the matter of stabilization payments. That comes under vote 2004, as I understand it. We now are talking about marketing and sector support payments. If we are going

to get into votes, I think we should stick with the issues. That is why I did not realize you were on that vote.

Mr. Chairman: That is right. I agree 100 per cent.

Mr. McKessock: Okay. On the red meat initiatives, I feel that all farmers should have been able to get into this plan this year. I think the criteria were a little restrictive. I joined the cow-calf plan—

Hon. Mr. Timbrell: I know.

Mr. McKessock: —and I have had my calves weighed and so forth. I think there are a few restrictions this year that should not be therein order to encourage farmers to participate. Some of them have thrown up their hands in disgust with it because they have to have their calves within a certain age range.

In fact, I got a letter one day saying that any calves under 150 days old would not be eligible, and I called up because that was going to disqualify a lot of mine. The next day they said: “Do not get excited. We have already lowered it to 120 days.” Actually, I feel there should not have been any stipulation on the first year. When they come to weigh the calves, if the calves are less than 120 days old, they should get the \$25 per calf anyway, because you have them in the plan and participating and next year things could run a little more smoothly.

For instance, in my own situation there were 11 calves that were under 120 days old, so I do not get the \$25 for that, nor does anybody else in the same situation. What you are really saying is that I should have kept those calves another month to be eligible, except that they were going to the Warton sale the next day because a few of those were late arrivals. To be very efficient, you should not have late arrivals, but that is pretty hard. I have tried to talk to the bull several times on this and I have not got through to him.

Hon. Mr. Timbrell: Keep trying.

Mr. Swart: Have you tried using other bulls?

Mr. McKessock: Had I kept those calves another month, I would have missed the sale. Even though those calves were light weight, being under 120 days, I got \$1.16 a pound for them. It would not really have paid to keep them another month to get the extra days on and take less per pound for them. You have to work the market into these efficiencies as well.

I think some of those criteria for joining the program this year should be dropped just to get the producers into it, because if you discourage

them this year you probably will not get them next year, either.

Hon. Mr. Timbrell: First of all, may I say in response that I do not have last week's figures here, but as I recall, there are now about 4,225 farms enrolled in the program. Some are in all parts of the program, but we have 3,449 in the cow-calf program. That is not bad when you consider the details were only released at the end of May. There are 954 in the stocker-slaughter part of the program and 501 in the sheep component.

Mr. McKessock: That is not bad. I am just saying it could have been better.

Hon. Mr. Timbrell: I remind you that the program was developed in consultation with people from the industry. We basically took their advice on the makeup of the program, including eligibility criteria. I would like to ask Mr. Doyle or Dr. Rennie to comment.

Mr. McKessock: I am not saying you could not drop back to those criteria the second year. I am talking about the first year.

Hon. Mr. Timbrell: I would like them to comment since they sat in on all the meetings. I did not; I sat in on one or two that were held with the red meat advisory committee to talk about the eligibility criteria and the input we had from the industry.

Mr. Doyle: Why do I not begin and deal with the specific points you made, Mr. McKessock?

I do not know of any program the ministry has implemented that has had as much consultation as this. First of all, there was a series of seven meetings across the province with about 73 briefs. Subsequent to the plan being announced and the committee being formed, the minister put forward a sum of money with some broad thrusts for its use, which were changed substantially.

For example, we had a target for increasing our breeding herd size by one third. That raised a lot of concern. Basically, what was said was that the industry should not be relying on outside sources for half of its calf supply, which we had been doing.

It raised a lot of concerns out in western Canada and a lot of criticism from government to government. But, more important, a lot of concern was apparent among cow-calf producers, with the Ontario Cattlemen's Association, the Ontario Federation of Agriculture and many organizations saying it would simply increase supply and lower prices.

Personally, I do not believe that, because calf prices are determined against a much larger pool

than that would create. The committee that was formed, of which Clare and myself were co-chairmen—I do not think there was another ministry person on it, other than resource people—was made up of all the organizations and representatives you would expect to be on such a committee.

The early discussions focused on how this money was going to be spent. First of all, was it fundamentally an income transfer, which it was not, or was it a developmental set of initiatives? So, we got into very long discussions, for example, on sheep.

George McLaughlin, a well-known former dairy farmer and now president of the sheep association, made the point that if we were going to reach the target, which was stated in the red meat plan, of replacing the live imports from Virginia—which is a realizable target in sheep production—without touching the stuff coming in from New Zealand, what was the most efficient way of doing that?

Our technical staff had put forward a whole series of proposals on how to go about it. McLaughlin came down strongly for putting the main emphasis on capital facilities. He pictured a number of producers who would respond to such an initiative, particularly those who were part-time sheep farmers, and if the main assistance was given in the form of capital assistance, by quitting the other job and going into full-time sheep farming.

There were things like that. So, very substantial changes were made. We dropped the target of one third and the emphasis was put on productivity.

There has been some criticism to the effect of, "What is \$1,500?" That is looking at the program as an income transfer program, which it is not intended to be. This is not what either Clare or myself are saying, or even what the minister is saying, so much as the committee, which came forward very strongly with these points of view about where the money should be spent.

12 noon

A lot of discussion, five or six meetings, went into this whole system, and a very strong message came out that it should be based as much as possible on forming local clubs, for example, and that we should not have a centralized decision-making process where everything was emanating out of the one.

As a preamble, I would just say that I do not know of any program where there has been as much consultation, where the industry has had as much input into deciding the terms. As I say, we

went forward through all the processes within government and the minister was successful in getting the \$62.5 million. It was clearly understood that there was some flexibility in changing that, and events showed that to be the case.

The one exception was on the feeder-stocker end where there were, and the minister acknowledged it, some differences between ourselves and elements of the beef cattle industry on what should be done there. Again, the majority opinion from beef cattle producers on that committee was that we should continue with the system. We are continuing, recognizing that we may wish to change it.

Also, incidentally, the committee continues to meet. Dr. Clare Rennie had a meeting on the research program a week ago. I was up in Ottawa on the chicken appeal and we have another meeting coming up in February.

With that preamble, maybe Dr. Rennie would answer the specifics.

Mr. Swart: If they are finished with this, I did not want to take time on this one, but I wanted to move on, if I could, to the Beef Marketing Agency Commission and have a rather detailed report on where that is at at the present time.

Hon. Mr. Timbrell: I think I answered that earlier but just to recap, we will be meeting with the executive of the Ontario Cattlemen's Association next week.

Mr. Swart: When you say "we," is it the commission or you as a minister?

Hon. Mr. Timbrell: I will be meeting with them. The chairman of the commission will be there with senior staff. We will be showing the executive the report, discussing it with them. At that meeting I will indicate to them the course of action I propose we follow and I will be releasing those reports, because I am also going to meet with the Sheep Marketing Agency Commission executive as well and go through the same process. I will be releasing the reports for review by the producers.

Mr. Swart: These are the reports of both commissions, the sheep commission—

Hon. Mr. Timbrell: And beef.

Mr. Swart: Can you tell us at this time which of the options they will be recommending? Is it a combination of some of the options they originally talked about?

Hon. Mr. Timbrell: I can discuss it next Wednesday because I will be meeting with them on Tuesday.

Mr. Swart: Can we expect then that the commission will be making their recommenda-

tion and you will be making a proposal on what legislation or regulations or whatever is necessary to implement the marketing?

Hon. Mr. Timbrell: I have given both associations my assurance that the government will not be taking any pre-emptive action. There will be a chance for full input by them.

As I say, I will be in a better position to discuss it here in committee next Wednesday since I will have met with the executives the day before.

Mr. Swart: Perhaps we might as well leave that one until next Wednesday.

On item 3, Foodland Ontario promotion:

Mr. McGuigan: I have a question and I do not know whether it would be exactly on Foodland Ontario promotion or not. My wife and I stayed in Toronto one weekend recently and I saw a television farm program on the Sunday. I did not catch the beginning of it but I was left with the impression that it was put on by the Ministry of Agriculture and Food. I am not sure if that is true.

Hon. Mr. Timbrell: Channel 11, CHCH in Hamilton.

Mr. Chairman: I watch it every Sunday.

Hon. Mr. Timbrell: Mr. Snell is here, if you would like to ask any questions about it.

Mr. McGuigan: Do you prepare material or do you use outside people? Tell us just a little bit about it.

Hon. Mr. Timbrell: Mr. Snell, you can take that seat right at the front there.

Mr. McGuigan: I saw just a part of a program. I wish you would tell us a little bit more about it.

Who finances it? How much of Ontario does it cover?

Mr. Snell: The communications branch puts out material for television as a television program. We receive free time from Channel 11. It is a general interest program about agriculture as a whole. It is carried every Sunday on channel 11 and then we repackage it.

It is about a 12-minute program. We repackage the elements of it and mail them out to another 12 stations which include it in their general agriculture report. We repackage it again and turn it into Farm and Country North and add another 15-minute interview on that. That is carried on CBC and CTV throughout the north from Timmins down to Ottawa twice a week now. They broadcast it for us and we pay no cost for the broadcast.

For every dollar spent we receive something in the nature of \$10 worth of free television time.

We repackage elements of it again on a Saturday morning for channel 13 in Kitchener and it goes on what is called the inland network, which is made up of a whole host of television stations associated with 13, which include the Windsor station right through to the Peterborough area.

Mr. McGuigan: Your only expense then is producing it, not showing it?

Mr. Snell: That is correct.

Mr. McGuigan: Just one further quick question: Was that part of the advertising budget you talked about or is that another budget?

Mr. Snell: It is part of my budget, the communications branch.

Mr. McGuigan: So that is separate from the advertising?

Mr. Snell: That is correct.

Item 3 agreed to.

On item 4, quality standards:

Mr. McGuigan: I have a question about that. We used to have retail fruit inspectors who visited supermarkets and so on, on a regular basis. Can you tell us the state of that and the number of people involved?

I was in Ottawa in September, I guess it was—that is the Royal Winter Fair, is it not?

Hon. Mr. Timbrell: I am supposed to be there. Here comes the deputy minister. Shall we all wave to my deputy?

Mr. Chairman: I think we will continue.

Mr. McGuigan: There you are.

Mr. Chairman: There you are. You have someone taking your place.

Hon. Mr. Timbrell: On top? At least he was pointing to the front end.

Mr. McGuigan: The question is, I was in Ottawa and I visited a supermarket. I am always interested in the fruit part of a supermarket. They had a big display of Niagara grapes. They were rotten. They needed a shave. You have seen fruit with whiskers? They needed a shave. The store manager, and it was a big downtown supermarket, was doing an awful disservice to Ontario's fruit.

I looked over the whole display of fruit. There were apples there. They were in good shape. Everything else was in good shape. The imported stuff was in good shape. A person looking at the Ontario grapes would think, "Is that the normal way Ontario displays and sells its material?"

Hon. Mr. Timbrell: No.

Mr. McGuigan: I know it is not.

Hon. Mr. Timbrell: Maybe Mr. Wheeler can comment on that.

Mr. McGuigan: There was a day when it was pretty hard to find that because there were regular inspections.

Hon. Mr. Timbrell: There are two aspects. One would be the inspection services that come under Jim Wheeler and I will ask him to comment. The other would be the spot checks we make of Ontario retail outlets. That comes under Mr. Richards' program.

Maybe Mr. Wheeler could start off.

Mr. Wheeler: Our staff of 25 inspectors across the province probably devote about three man-years to retail inspection. The regulations are applied there and, in general, any one store of any significance would receive somewhere in the neighbourhood of two or three inspections per year. Certainly it is not a program which could be expected to control the quality in a store at all times.

12:10 p.m.

If we can refer more specifically to grapes in September, the Ontario Fresh Grape Growers' Marketing Board's newsletter, which came out just this week, discusses quality to some degree. It mentions that in September there was a period of a week or two in which there was a lot of rain and foggy conditions. There was a problem, and yet a lot of those problems will not show up at the receiving platform level in Niagara before the fruit is shipped. It develops later.

They were regretting they had this weather problem. It resulted in a lot of poor quality product on the shelves around the province, and out of the province as well.

There is a limit to what can be done at the shipping point. They will still meet the grade requirements and yet they will develop problems at the retail point.

Mr. McGuigan: Going back a number of years, I regularly delivered fruit to supermarkets myself. The inspectors were there almost on a daily basis; at least weekly. It has certainly changed from what it used to be.

I can remember they used to drive me crazy about the colour of McIntosh apples, that they should be a certain colour. They had a machine. It was a colorimeter or something. They used to drive me crazy. I could not have got away with those grapes a number of years ago. I gather that over a period of years we have reduced the number of people we—

Mr. Wheeler: Over the years there was only one person in the Ottawa area at any time and that

has not changed. There is still one inspector who covers the whole eastern Ontario area. The next nearest office is Brighton. Generally, I think there is pretty good coverage of all areas of the province.

Mr. McGuigan: It is spot checking?

Mr. Wheeler: It is a spot-check program. That is the very nature of our inspection.

Mr. McGuigan: What is the status of the federal inspectors? A few years ago there were people from the Department of Consumer and Corporate Affairs who also did this. Have they withdrawn them or are they still there?

Mr. Wheeler: They do a very limited amount of retail inspection of products that basically are imported and sold under federal standards. It is a jurisdictional situation and question. For the past few years, they have not been appointed under provincial legislation.

Mr. McGuigan: At one time, provincial would enforce federal and federal would enforce provincial. Are you saying that is not going on now?

Mr. Doyle: As a result of two court cases, the Labatt's case and the Dominion Stores case, the feds basically lost jurisdiction.

Frankly, there were a lot of problems anyway. When it moved out of the Department of Agriculture and into the Department of Consumer and Corporate Affairs, there were a lot of problems. You would have an inspector going in and looking at detergents and then turning around and examining grapes. We experienced a lot of problems because they would go in with a policeman's attitude and, while grades have to be upheld, something more creative can be done. They were telling people to take potatoes to the dump.

Mr. McGuigan: I suffered under that system. I know it. The point I am trying to make is there is a lot less inspection today than there was.

Hon. Mr. Timbrell: Is that necessarily true? When Mr. Wheeler talks about three man-years or person-years, most of the concentration of that activity would be in one part of the year, would it not?

Mr. Wheeler: It would be spread throughout the year.

Hon. Mr. Timbrell: I would have thought it would have been more concentrated in the August-September-October period.

Mr. McGuigan: There were people who went regularly to packing houses. For instance, a chap from Leamington would be in our packing house

every week. We do not see that now. Every week they were in the stores I serviced; now they are on a spot-check basis.

Hon. Mr. Timbrell: There is another aspect of our program that Mr. Richards can talk about, where we work on promotion and the showing of produce.

Mr. Richards: As part of the Foodland Ontario promotion program we have an element called retail merchandising. We hire 11 part-time people to cover all the stores in the province. They get to about 92 per cent of the supermarkets once every eight weeks.

Their objective is to put up point-of-purchase material or signage that helps identify Ontario products. Once every eight weeks is not adequate and we are looking to expand that group so it can go around more often. Thirty-six per cent of consumers indicated that if price and quality are equal and they can recognize the product, they will buy the Ontario product.

Mr. McKessock: Mr. Chairman, on a point of order: If that is the Royal Agricultural Winter Fair parade, perhaps we could adjourn and go outside and watch it. I did not know it was going to be so long.

Mr. McGuigan: The minister should be out taking a salute.

Mr. McKessock: It is still going by.

Mr. Chairman: You are doing all right. You will get a glimpse of it.

Mr. Swart: A beef float went by.

Mr. McGuigan: There is one final comment I would like to make. I do not think we need as much inspection as we did a number of years ago, because Ontario people are putting out better quality. But I would suggest that, say in September, when you do run into such problems with those grapes, you might consider having more part-time people on.

When somebody buys those grapes and takes them home, it really turns him off Ontario products. These things were not just a little bit off; they were way off. It is probably one of the worst cases I have ever seen stuck in a modern supermarket, and it really turns the consumer off. I think we could use a little extra help in August and September.

Mr. Wheeler: The grape board newsletter that I referred to also mentions a survey that was conducted for the board in the Montreal market, where a lot of the Ontario crop is marketed. This survey indicated that 95 per cent of the consumers were quite satisfied with the quality of the grapes they had been receiving, so it depends on

circumstances. There was certainly a low period in this marketing season when there was a definite problem this year but, overall, they are happy.

Mr. McGuigan: But they are marketing the five per cent that are awful.

Hon. Mr. Timbrell: Which chain was it, as a matter of interest?

Mr. McGuigan: Dominion.

Mr. Swart: I want to pursue an issue I raised with the minister in the House that has to do with the quality of the foods—particularly the grapes, in this instance—and that is the question of the use of sprays and the disadvantage our people are at on their grapes when they are forbidden to use Mesurol—this is an example—as compared to being permitted to do so in the United States and, in that respect, the lack of inspection that is done. I realize this perhaps comes more under the Ministry of Health than under your ministry.

You may recall that when I raised this issue in the House, I stated that California grapes contained Mesurol. You state, and I have Hansard in front of me, "First of all, my information is that Mesurol is not registered for use on any crops in the state of California; so let us deal with that first of all."

The fact is that it is. We contacted California. We had contacted the federal Department of Agriculture in the United States and were told it is used. After you made that statement, we contacted California directly and found out there is a specific exemption given by the Environmental Protection Agency to provide for the use of Mesurol on grapes to disperse the birds.

In fact, last year 9,478 pounds of Mesurol were used in California. Apparently your ministry and, I assume, perhaps even the Ministry of Health are not aware of this and of what checks are made so that our farmers are not put at a distinct disadvantage. If Mesurol is used on California grapes coming in here, are those grapes checked periodically to ensure that there is no harmful residue? Our farmers cannot use it, yet they use it in the United States and we bring in the grapes. Apparently your ministry is not aware, and I do not know whether the Ministry of Health is aware or not, as to what checks are made.

We say here that you cannot use Mesurol because it is toxic and there is a health problem with it, and yet we import produce having it. I realize the federal government is involved in this, but the provincial government has the responsibility when it comes to the matter of health involving goods being sold in the stores.

Will you check this out? Perhaps you would like to answer that.

Hon. Mr. Timbrell: The information I imparted on that day was the information I had been given. I am told it came from Health and Welfare Canada, which told us Mesurol was not registered for use in the state of California.

Mr. Swart: Let me put it this way: it is not registered for use in a technical sense, but it is exempted and permits can be given.

Hon. Mr. Timbrell: As a repellent. But the information we had apparently was that it was not in use at all.

Mr. Swart: That was incorrect.

12:20 p.m.

Hon. Mr. Timbrell: Perhaps Mr. Wheeler can go over the question of the inspection, because it is a shared jurisdiction with Health and Welfare Canada.

Mr. Swart: I understand how it is shared. It is through imports and then health is the responsibility of the Ontario government.

Hon. Mr. Timbrell: Yes. He will tell you what is done.

Mr. Wheeler: That information about the California case came from Health and Welfare Canada here in Toronto and that was their understanding. As far as the inspection goes, when a product is received in the province, Health and Welfare Canada has the primary responsibility for that, as you indicated you understand.

Mr. McGuigan: Under the Food and Drugs Act?

Mr. Wheeler: Yes. Health protection comes under that act, and the residue levels. I am sure all of you understand, as you have indicated, that it is among three federal departments: Agriculture Canada, Health and Welfare, and Environment Canada to some extent. As far as the registration goes, it is basically Health and Welfare and Agriculture Canada.

Health protection officials in Toronto indicate those ministries have taken numerous samples of imported grapes and wine and have not found any residues. That is the best I can tell you. They have also examined more than 100 samples of Ontario grapes and have yet to detect any residues, although it was suggested that the product is used widely in the province.

Mr. Swart: My guess would be that Health and Welfare did not know, and felt they were not using Mesurol in California. They probably were not even checking the grapes coming in.

Hon. Mr. Timbrell: No, I think Mr. Wheeler is saying they have been testing.

Mr. Wheeler: They have been since, yes. They are aware now as well, I am certain.

Mr. Swart: They have been aware just since that question was raised. Is that what you are saying?

Mr. Wheeler: I would believe so, since they indicated to me earlier that it was not used in California.

Mr. Swart: Then may I ask, because of the agricultural implications, what about our own Health ministry? It has the responsibility and I think I mentioned in my question to you that the Farm Products Grades and Sales Act states in regulation 332, as fruits that are eligible, "all fruits, vegetables and sweet corn that can be commercially grown in Canada are designated as farm products." Imported blueberries, grapes and cherries would fall within this definition and would therefore be subject to the criteria set out in the provisions.

Section 4 of the regulation provides, among other things, "that no person shall sell or offer for sale any produce that is otherwise affected as to be unfit for human consumption or that shows evidence of any foreign substance in an amount injurious to public health." That puts the responsibility clearly under your own hat, back on this government.

Is this government itself taking tests? If it has gone through the Health ministry, which probably is the logical way, what tests has this government made, and is it making, to assure that those imported California grapes that I am using as an example, or blueberries and all the rest of it, do not in fact depart from what is the responsibility of the federal government on importation; that none of them contains levels of these chemicals that might be injurious to health?

If we are going to tell our farmers they cannot use a certain spray—and perhaps we cannot—it seems to me the next step is that we have an obligation to ensure that food being sold here does not contain any of those chemicals that are in any way injurious to health. What tests are made by this government?

Hon. Mr. Timbrell: Perhaps we will let Mr. Wheeler answer first.

Mr. Wheeler: As you say, the Farm Products Grades and Sales Act does provide for restricting the sale of fruit and vegetables that are contaminated or could be injurious to public health. We have conducted some tests. Our branch has sampled and submitted samples of products this

year to a pesticide laboratory at the University of Guelph, part of the ministry, and had the testing done there.

Mr. Swart: On what food? Blueberries?

Mr. Wheeler: Yes.

Mr. Swart: The blue grapes: were there California grapes?

Mr. Wheeler: No, we did not personally do any of the grapes. The pesticide lab has done some, and the Horticultural Research Institute of Ontario, in Vineland, has done some testing of grapes—primarily from Ontario, though.

I would say the Department of National Health and Welfare has taken the lead there. We have liaised with them and made sure we are aware of what they are doing. They have taken large numbers of samples and have found no residues. We have not duplicated their testing on the imported products.

Hon. Mr. Timbrell: Mr. Swart's basic question needs to be addressed, and that is, if National Health and Welfare were to find residue, would it not pull that shipment, that product, off the market? I think the point you make is a very valid one.

Mr. Wheeler: That is the general procedure, yes, the normal procedure.

Mr. Swart: What bothers me about this, and I think it would bother you too, Minister, or anybody, is that what they had this year on Mesurol was a very extensive search and testing to find out if our farmers are using Mesurol. I am not talking about your ministry, I am talking about the feds. Did they not check some 800 grape farmers to be sure they were not using Mesurol? They went right out into graperies and checked out that they were not using Mesurol.

What I am suggesting is that same kind of effort, whether it is done by the feds, whether it is done co-operatively by the feds and the province or whether you people do it, that same kind of effort should be put into ensuring that none of the imports contains this level of Mesurol.

It is certainly my understanding from newspaper reports and conversations that I have had that at least in the past, up until this time, the spot checks made by the federal government were so infrequent that all kinds of imports could get by that could contain residues of sprays that could be toxic. They are very infrequent.

I will conclude by asking the minister if he could get a report for us before we adjourn on the kinds of and frequency of tests that are done by the federal government, the spot checks that are made on imports and, for that matter, what is

done here by his own ministry or the Ministry of Health with regard to spot checks of food. If there are only spot checks and if they are very infrequent, it would not hurt if both were being done, if your Health ministry were doing them here and the federal government were doing them on the imports.

Hon. Mr. Timbrell: We will ask for that. We will try to get it pulled together in time to give it to you before we are finished next Wednesday.

Mr. Chairman: I think we are down now to item 5, which is land preservation and improvement. I think Mr. McGuigan probably wants to speak to that. I think we will start after lunch.

Mr. McGuigan: I have a problem. I have been three days with the Health ministry waiting to present my case and it is to be at two o'clock today. Is there any chance of you standing me down? I have been waiting for three days. It is very vital to my riding and I just have to be there.

Mr. Swart: Are you talking about standing vote 2002, item 5, down?

Mr. McGuigan: Soil erosion.

Mr. Swart: I am prepared to do that and we can go on with something else. Perhaps when we come back the minister, if he wishes, would like to reply to my comments. I am not suggesting he should reply extensively, unless he wants to, to my lead-in comment.

Hon. Mr. Timbrell: Maybe we could save that and do it all at the same time.

Mr. McGuigan: How many hours do we have left?

Mr. Chairman: Seven, eight, nine.

Mr. McGuigan: Only two days.

Hon. Mr. Timbrell: The rest of today and—

Mr. Swart: The rest of today and next week and perhaps a little bit more.

Mr. McGuigan: If I could spend just one minute on these chemicals, the larger problem is that there is a whole group of minor use chemicals. It costs up to \$10 million each to test them. Because in Canada we use so little of them, the chemical companies are not willing to test them for us and you can understand why. Maybe in one year they sell \$200,000 worth of the chemical. It costs them \$10 million to \$12 million to test them. Mesurol is one of them. There is a whole group. Ontario and Canadian farmers are put at a great disadvantage because we cannot test them.

There is a reason for testing because, while it might be safe in California where they have a lot more sun than we do and a different rain situation and so on, the same thing might cause trouble here. The Canadian people are not willing to certify it on the basis that it is being used some place else. I think there is good reason for that.

We need some provincial and federal co-operation in trying to pool some money to test some of those materials. We have cherry growers, blueberry growers and grape growers who desperately want to use Mesurol.

Hon. Mr. Timbrell: I think the prohibition by National Health and Welfare is based on the American data.

Mr. McGuigan: It is based on the fact they do not know how it would perform in Ontario.

Hon. Mr. Timbrell: I thought it was based on the American data.

Mr. McKessock: They are using it in America now.

Hon. Mr. Timbrell: That is not unusual. It is also true in the human drug field.

Mr. McKessock: If it is based on the American data, why would they not allow it to be used here?

Hon. Mr. Timbrell: I had experience with this in the past when I was in the Ministry of Health. They took the same data the Americans used and arrived at different conclusions. They have different tolerance levels that they are prepared to accept.

Mr. McGuigan: They had that bio test lab in the United States. The real basis is that they simply do not know and they are being cautious.

Mr. Swart: You are right to quite an extent, Mr. McGuigan. I had the research library prepare a report for me on Mesurol and it gives a lot of background. It makes the point you made. There is enough evidence and I think they are right at this time in banning the use of Mesurol; it appears that way. They have not come up with a conclusion yet. This might be helpful to the minister. I can make a photocopy and give it to him, or it would be available from library research.

Hon. Mr. Timbrell: I would be interested in seeing it.

Mr. Chairman: We will recess until two o'clock.

The committee recessed at 12:32 p.m.

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 Swart, M. L. (Welland-Thorold NDP)
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 Snell, R. R., Director, Communications Branch
 Wheeler, J., Director, Fruit and Vegetable Inspection Branch



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Legislative Assembly of Ontario



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Estimates, Ministry of Agriculture and Food

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Wednesday, November 7, 1984
Afternoon Sitting

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, November 7, 1984

The committee resumed at 2:06 p.m. in committee room 1.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD (continued)

On vote 2003, agricultural technology and field services program:

Mr. Chairman: For your information, Mr. Riddell, we have done vote 2001. We were on vote 2002 and we are holding item 5 because Mr. McGuigan had some concerns on that one. We are going on to vote 2003.

Mr. Swart: I was wondering two things. One, it was my understanding we were going to leave soil erosion until he came back, but I thought we would be going ahead with the drainage, which is under that vote.

Mr. Chairman: We could do that if that is the wish.

Mr. Swart: Further than that, I had made the suggestion that perhaps the minister would like to reply to my initial comments.

Also, on a point of order, after the minister replies, if he deals with these matters, the only time I was out was for about 10 minutes and you took the vote on 2001. There were two or three other matters under the minister's jurisdiction that I really wanted to bring up, which could be brought up under that vote. Maybe, during the course of the reply or immediately after, I can deal with those things.

Hon. Mr. Timbrell: I think in many ways the member for Welland-Thorold (Mr. Swart) and I have been over this ground a lot of times on the Food Land Guidelines—what his policy is and what he interprets as our policy.

I still do not think that the policy you have espoused on behalf of your party is very much different, if any, from the policy of the government today, particularly since your policy acknowledges that, in the first instance, it is the municipalities which are responsible for land use planning. It is when the initiative for land use designation changes comes from the ministry level that the province gets involved.

Again, I recall a year or two ago we got into quite a discussion about this. We sort of agreed to disagree because, as I recall, it essentially came

down to a difference between the way you would apply the policy compared to the way we do it.

Essentially just to restate the essence of the Food Land Guidelines, it is very simply a matter that revolves around two very basic questions, the first of which is to ask if any proposed development is needed. If it is not, in our view that should be the end of the discussion, it should not go any further.

If it is, then the next question comes into play and that is: does it have to go on prime agricultural land? I think that is the issue. In other words, is there an alternative site? I gave you examples a year ago of where we had applied those two very basic principles and got ourselves involved in quite a number of fairly contentious planning matters, and we have been successful.

The Caledon case is, in fact, a case in point, where the ministry applied those very simple principles, argued the case very well, along with other interveners, and the Ontario Municipal Board upheld that point of view and turned down the official plan amendment that had been requested by the town of Caledon.

That, in essence, is what we are doing with respect to the current hearing on Brampton. There are certain things in the application to which we have agreed on the basis that we can accept that need has been shown. There are others to which we are not prepared to agree because need has not been shown and we are fighting those.

I have looked at your private member's bill from time to time and I really cannot see, given the way the system works originally at the municipal level, that there is any difference between that and what we stand for.

I asked last week—I did not ask it to be pejorative or to provoke an argument—if your position is that within the province or certain areas of the province all development of all kinds would, from this date forward, be banned from classes 1 to 3 land.

If you had said yes, I would say that is a difference of policy, one that represented a different philosophy, but one that I could understand. There are some people who believe that that should be done, that absolutely nothing should ever be allowed to be built ever again, to all intents and purposes, on classes 1 to 3 land.

You said that was not your position, so again I come back to having to say to you, with all due respect, that that not being your position, and looking at your proposed private bill, that there is not very much difference, if any, between your proposal and ours, except that you are saying, in effect, you think your judgement would be better than ours.

Mr. Swart: I would say that.

Hon. Mr. Timbrell: I would be surprised if you did not.

Mr. Swart: It does go much further than that. I am not sure which private member's bill you are talking about, whether you are talking about the one I submitted some time ago, which originally had been submitted by the now chairman of the cabinet committee, whether that is the same one or whether you are talking about the most recent one which was submitted this year.

The real difference, I think, is that under the policy guidelines of aggregates, for instance, you compare that with aggregates use and agricultural use. They are not even on an equal basis. The language is tougher in conserving land for aggregate use than in preserving it for agricultural use.

My amendment just simply says there shall be priority for the preservation of agricultural land. You are well aware that almost every—at least major—conflict ends up before the Ontario Municipal Board. There are not very many that do not end up there where there is a conflict on land use.

With that kind of clause in the Planning Act, when it comes before the Ontario Municipal Board, they will consider that the government therefore considers the highest priority is preserving land for agricultural use. It does not mean exclusive, but the highest priority.

That is the real difference between your policy and the policy of the New Democratic Party, and it is a very substantial difference.

Hon. Mr. Timbrell: Again, with respect, I think if you look at the record—I will refer only to my three years in the ministry because I am most familiar with that time—I do not think there is any doubt in the minds of the Ontario Municipal Board or the public as to where we stand. There may be disagreements over particular proposals that come through, which we may agree to in whole or in part, but I do not think there is much doubt about on what we are placing priority.

I do not know whether you are saying it should be “the” priority, in other words, that everything else should fall behind, or “a” priority. If it is the latter, then in effect that is what has been said.

I remind you again that the guidelines are under revision. As I indicated this morning, I would hope that we could conclude our discussions with the Minister of Municipal Affairs and Housing (Mr. Bennett) fairly soon and be in a position to get cabinet approval to circulate our proposals for public comment. I think you will find in a great many respects they have been improved on substantially by our staff.

With regard to aggregates and preservation, they will be companion documents. There is a new statement; I guess it is about ready as well.

Interjection: Tomorrow morning.

Hon. Mr. Timbrell: Yes. The Minister of Natural Resources—

Mr. Swart: Of course, their previous statement is a policy statement, under the act.

Hon. Mr. Timbrell: I understand that. In correspondence between the Minister of Natural Resources (Mr. Pope) and myself and the Minister of Municipal Affairs and Housing—among the three of us—we have agreed that they will go forward as companion documents.

Mr. Chairman: Is there anything further?

Mr. Swart: We could argue that point further, I guess. I have been at enough Ontario Municipal Board hearings to know that they set government policy as the main guide in it, there is no question about that.

When Darcy McKeough wrote the letter to the hearing at Barrie, I accepted that as government policy. If you have a statement which says, in general, priority shall be given to the preservation of agricultural land over other land uses—the statement is not made any place now; did you make that statement?—then they do give higher priority than if that statement is not government policy. I am not going to argue it any further.

Hon. Mr. Timbrell: I think it is a semantics argument.

Mr. Swart: No, it is not.

Hon. Mr. Timbrell: In fact, if we look at the way we have been applying the guidelines—I guess I can confine myself to my own time in the ministry—I am satisfied that we have applied them very fairly and consistently.

Mr. Swart: Even in Brampton, when you say 4,000 acres of homes on prime class 1 land there, or in the hole-in-the-doughnut in Mississauga—

Hon. Mr. Timbrell: Well, in Brampton, in essence, we applied the test, and we accept that in the future there is a need for more housing in Brampton. Where we could not agree was on the

estimates of future growth. You recall we had—what, three or four sets; two, three—a number, anyway, of projections of growth, all of them different.

The stance we took there was that, while we could accept there was a need for more housing in the future, we could not accept any one of the sets of figures as gospel, and therefore we insisted on phasing, so we would not have spotty development that would renew the whole of the 4,000 acres in short order. Rather—

Mr. Swart: Ultimately, it would go, but you are saying—

Hon. Mr. Timbrell: It begs the question, though. Are you saying that a town like Brampton should be frozen at its current size?

Mr. Swart: I am not saying the town of Brampton should be frozen, but I would say, the same as your government said years ago, there should be a provincial plan for development, and that growth in general should be shifted away from the best agricultural land. There is no such plan.

A lot of the growth maybe does not have to take place in Brampton. It can take place in other areas of Ontario, if you had a provincial land use plan.

Hon. Mr. Timbrell: In point of fact, the government, through various programs, the employment development fund—which was the precursor to the Board of Industrial Leadership and Development—and many other programs over the years since I have been here, has been giving assistance to towns, cities and villages all across Ontario to encourage growth.

You need only look at the work that has been done by the Ministry of the Environment with respect to municipal water and sewage systems. Look at the work that has been done by the old Ministry of Industry and Tourism—now the Ministry of Industry and Trade—with respect to industrial parks. In point of fact, it is still, and quite properly, government policy to encourage growth away from the urban centres.

2:20 p.m.

However, when companies come here and say, “Well, look, there is only one place we can settle because of the nature of our industry,” do we tell them to either go to wherever or not come to Ontario at all? I think not. We should encourage—and we do; witness the Honda plant going to Alliston. Even in that particular case it is away from the large urban centres, but it is proposed to go onto farm land. Now, should we stop that one?

Mr. Swart: You see, you are posing a question which does not very often exist. I know the corporations well enough that generally they are reasonably good corporate citizens. If there is existing tough legislation which is pointed out to them, usually they will accommodate themselves to it.

There may be an occasion sometimes when you get into that exact conflict, but you say to me that the figures show that Brampton is going to need that land at some point in the future. Are you then saying that when any municipality expands—when St. Catharines now grows out to those urban boundaries—it will automatically get permission to grow out further into the agricultural area, into the prime fruitlands? Is that is what is being said?

Hon. Mr. Timbrell: No, that is—

Mr. Swart: And when you mention sewers and services—I think you indicated they take into consideration whether they are going out into the prime land. They do not tell us that at all. I sat on the municipal council there for many years in Niagara. You have water or sewers now running from Niagara-on-the-Lake clear up to Grimsby.

Hon. Mr. Timbrell: With respect, it has been years since either of us sat on municipal council—nine for you and 12 for me. Things have changed an awful lot.

Mr. Swart: They have not changed a darned bit in that respect, if you have been keeping in touch with it.

Hon. Mr. Timbrell: The point I am making is, to take Brampton, and to be consistent, I think your position should be that no class 1 or 2 land, at least, and maybe class 3, should be developed for any other purpose. Then you would be consistent with what you are saying.

Mr. Swart: I am saying it is priority. It is all a question of priority. It is not absolute. It is a question of priority. You give high priority to the retention of prime agricultural land over other uses, that is the issue.

Hon. Mr. Timbrell: So, in other words, if we use the word “priority” then you will accept the Food Land Guidelines as being—

Mr. Swart: If you have the word in the Planning Act—I think the Planning Act is much more essential than the Food Land Guidelines, but even if you said in the Food Land Guidelines that general priority shall be given to preserving the prime agricultural lands—whether they are class 1, 2 or 3, or whatever you want—for agricultural uses over all other uses, yes, I would say to you that the Ontario Municipal Board

would give that a higher priority when there are two conflicting documents before them and there is no indication of which one has priority.

You look at all the wording in the two documents which you have—and there will be more, I hope. No one could help but come to the conclusion that the retention of that land for aggregate resource takes priority over the retention of that land for agricultural purposes. They may not create conflict for a period of time, but those two documents certainly leave that clear.

This is not just my view. As you know, in the brief from the Ontario Federation of Agriculture, they simply say to you that they wish you would give the same priority, the same kind of wording—I can get the exact wording for you if you want it, it is in the brief—in the Food Land Guidelines that they give in the aggregate resource policy. That is the real difference.

Hon. Mr. Timbrell: I would argue that if you put the aggregate resource policy, as it exists now, up against the Food Land Guidelines, as they exist now and as they were in January, in fact, the Food Land Guidelines do take precedence. In there we state that no extraction from food lands shall be granted unless and until it can be shown that the site can be restored to agricultural production of—I forget the exact words—the same level. They are even more stringent with respect to the specialty crop lands—

Mr. Swart: You are saying the Ontario federation is wrong in its interpretation.

Hon. Mr. Timbrell: They can be wrong. You might be surprised to know that.

Mr. Swart: I am not saying they have been wrong, and it is not just them. It is almost all other groups that—the independent groups look at this.

In any event, Minister, you and I could argue this for hours and it might be good if we did.

Hon. Mr. Timbrell: As long as you buy supper.

Mr. Swart: All I really wanted to say is I think you should look for new ways, including just using that wording, “in general, priority,” in the Planning Act. A very simple amendment would do it, so that when it goes to the Ontario Municipal Board—and that is where they all end up, there is no mistake about that—they would then have the clear knowledge that the government of this province would like, in general, that priority be given to reserving the good land for future use for agricultural purposes.

That would make a tremendous difference, because nowhere in government policy does it say that now. I will just leave that with you.

Hon. Mr. Timbrell: I think you will be pleased—probably not totally—with some revisions we are proposing to make very soon.

Mr. Swart: See if you can put those words in; maybe in the planning end.

Mr. Chairman: Do you have anything further, Minister?

Hon. Mr. Timbrell: There are other remarks about soil conservation, but I think I covered most of that this morning.

Mr. Swart: In any event, we will be getting into that when Mr. McGuigan gets back.

Mr. Chairman: Can we go on, then, to 2002? Is that all right, Minister? They all want to deal with tile drainage.

Mr. Swart: Before we go on to that, I wonder if I might raise two or three other items I wanted addressed.

To me, the first is still rather significant, and that is the question of AgriNews. You know you started putting it out—

Hon. Mr. Timbrell: It is now OMAFNews.

Mr. Swart: It was AgriNews; it has changed, for a reason we all know.

Can you tell us the total cost of that to your ministry, what it will cost for this year, compared—and I do not want the kinds of estimates that were given last spring. I am including not only the printing, but the preparation, including the time of those who work on it in the ministry.

Hon. Mr. Timbrell: I do not have the numbers here. Perhaps, Mr. Snell, if you can come up to the microphone.

Mr. Chairman: Would you like to respond, Mr. Snell? Do you have the answer?

Mr. Snell: I am looking for some material here. It is a little difficult to respond in the sense that we talked about OMAFNews originally as a publication of eight pages, which would go to what we were told were 80,000 census farmers with 2,000 extra for use within the ministry and everything else. We did a cost estimate at that time and that is what I believe I gave the honourable member.

2:30 p.m.

At that point we said it would not cost more than \$150,000, going from memory, plus our costs of mailing, which we had hoped would be second class. We still have not received those mailing privileges and what we are printing now is a different publication with a somewhat larger circulation.

I did a presentation to senior management in which I broke it down as if we were still talking about costs relating to what we originally planned, i.e. eight pages and one thing and another. Memory has it that the \$150,000 came in around \$125,000 when we tendered and everything. However, our distribution costs have gone up substantially because we have not got the second-class mailing privilege; we have third class. So, our distribution costs are in the neighbourhood of \$90,000 as opposed to, I think it was, \$60,000.

At the present time, we are printing 85,000 copies as opposed to what we anticipated would be 82,000. The reason for that was we have had a lot of requests for the publication and also more than 50 per cent of the issues are now 12 pages, because of the amount of information we wanted to get out. The average cost of the issues, therefore, as of the time I did this report, was \$3,825 and there are 10 issues.

Let me see if I can break that down for you, because I want to make sure it includes typesetting and everything else. Currently, we have third-class mailing; it costs us 13.8 cents to mail. Handling is 2.2 cents, for 16 cents a copy. We had anticipated it would cost us 8.6 cents had we got the second-class mailing privileges and we will be appealing that.

Hon. Mr. Timbrell: Any rebate?

Mr. Snell: We would get a rebate if we are successful, but only for a portion of what was paid. They would not give us the year, but I think they would give us six months.

Mr. Swart: You are saying to me, in effect, that just for distribution it is now costing you over \$10,000 an issue.

Mr. Snell: I have some paper here on the original run.

Mr. Swart: Well, it is 85,000. If you multiply that by 13.2, you are well over \$10,000 an issue for distribution costs.

Mr. Snell: These are a bunch of alternatives. We were looking at different things.

In the present format, printing 85,000 copies, the cost of printing is \$38,250 based on an annual production of 10 issues. Handling is \$18,000. Outside fees—that is artists and photographers and what have you—are \$20,700. So at mid-year, when I did this study, we were looking at about \$76,950 for the present format.

As I mentioned earlier, we are mailing at 13.8 cents; we are not mailing all the 82,000, so our mailing costs would have been \$52,480, for a total of \$129,430. Because we do not have

second-class mailing privileges, that estimate looks as if it is now going to be about \$190,000.

So, going back to what we talked about earlier when I said the ball-park figure, exclusive of distribution costs, would be about \$150,000, it would appear now, with the postage and added circulation, we are getting close to \$200,000, because we have third-class mailing rates.

Mr. Swart: That does not include the cost of the work in your own office.

Mr. Snell: Yes, it does include the cost of one person who is solely responsible for this. Other people write for it, but in that respect a lot of the material would be written anyway, in the sense that if the minister had a statement on a new policy, we would have written that statement, we would have written a press release. What we do is rewrite the press release in a style for this publication.

Hon. Mr. Timbrell: You can see it is fairly inexpensive dissemination of information. For example—you have seen all the issues—when the rural women's report came out, we were able to get that into every farm household. When the red meat initiatives were announced, that got out into every household fairly quickly, as opposed to having to spend a lot more than that on advertising.

Mr. Swart: What was your cost when you had the centrefold, if I may use the word, in—

Hon. Mr. Timbrell: Centrefold? Us?

Mr. Swart: Yes. What was the cost when you had the—was it four pages? Sometimes you had eight pages in *Farm and Country*.

Mr. Snell: There were not eight complete pages of copy; we sold ads around it. There is the same number of farm financial management stories as we carry in *OMAFNews* and the cost of that would be \$30,000. It would go to *Farm and Country's* circulation, which is substantially less than the circulation of *OMAFNews*. Its circulation is 84,500; *Farm and Country* print about 70,000 and have multiple circulation, so they reach a smaller number of farm homes.

Mr. Swart: Am I right, the postage alone is running at about \$110,000 on your own figures? You say 13.8 cents—

Mr. Snell: I gave you a figure broken down on the actual third-class mailing cost. Yes, it is over \$100,000.

Mr. Swart: Spending at least \$200,000 on these—

Hon. Mr. Timbrell: We could never get into *Farm and Country* anywhere near the amount of

information we have been able to disseminate through OMAFNews.

Mr. Snell: If we were to buy two full-page ads in all the farm weeklies, that would require the total OMAFNews budget. If we average it out to 10 pages an issue, 10 times a year, we get 100 pages as opposed to two or three.

Mr. Swart: Now you are bringing out what you want in your own way. That is an important point too, where you people are concerned, is it not? A lot of what is carried in Farm and Country and other publications is news items which, in some respects, could be critical of the ministry and so on.

Mr. Snell: They can still be critical of what they consider not useful.

Mr. Swart: This publication, however, gets into the farm home and says it the way you want it said. This means, it is never going to be critical of the government and it is always going to promote government policies. What you have is a widely distributed document putting forth the Minister of Agriculture and Food's point of view.

Mr. Snell: That is correct. It is putting forth news about the ministry's programs and activities. It is not a newspaper and was never meant to be. It goes to all newspapers 10 days to two weeks ahead of time. They look at it and can be critical. It goes to honourable members and all kinds of people who monitor how we are using it. It is pretty straightforward to look at.

Mr. Riddell: What purpose do you feel it is actually serving?

Mr. Snell: I think it is a first-class extension tool.

Mr. Riddell: You are convinced that if you were to provide that kind of story to the farm papers farmers read—and many farmers subscribe to at least three different farm papers of some kind—they will not put the story in their papers.

Mr. Snell: No, they would not, because they have competing interests and needs. Take the new program we have on insurance for crops in storage facilities, for example. It came out right on deadline. It forewarns farmers when they are delivering crops what the new program is so everyone is informed. We were able to get the information to everybody before we were able to tender, print and distribute the brochure through OMAF offices.

It is a very quick method of informing people of new programs and initiatives of the ministry and of agricultural matters generally, such as the Molly McGhee report. These are of interest not only to the ministry but also to the public. It does

not include critical material because it is not a newspaper.

Mr. Riddell: What kind of feedback do you get?

Mr. Snell: Very good.

Mr. Riddell: You actually have farmers write or phone and say, "We think this is an excellent document we receive every month"? Does it come out every month?

Mr. Snell: It comes out 10 times a year. In the first six months 400 people asked to be on the mailing list. Six or seven asked to be taken off. We get approximately 15 letters a week on average from people who fill out a card saying: "I have moved," or, "I have gone to town; I do not need it any more." Or, "I am now taking up farming and want it," or, "I have moved from this farm to another farm."

2:40 p.m.

If there is that kind of reader feedback—they have to fill out the rather complicated form you get in the post office—I think it is indicative of interest. We get a lot of letters and I have some of them at the back of the room because I anticipated that question. I can bring them forward and read them to you.

I took a sample of what we received in one week. There are some general letters, but they are mostly complimentary.

Mr. McKessock: Do all farmers not get it?

Mr. Snell: All farmers who are on the census list are supposed to get it.

Mr. McKessock: Did I hear you right? You said you send it to newspapers two weeks ahead.

Mr. Snell: Yes. It is printed in Toronto. It comes to our office and we have a mailing list to farm newspapers and the press gallery. That goes out first class as soon as it arrives. We do not want to be criticized for holding back information that the media would want. Then we truck the newspapers from Toronto to Ottawa, where there is a federal government mailing list, and it gets mailed.

Except for one error we committed—and it was our fault; we did not mail on one occasion in the summer because of a new staff member; it was procedurally forgotten. Other than that we line it up and it gets mailed out. On average it arrives at the farm gate anywhere from a week to 10 days after it would be in the farm newspaper office.

Mr. McKessock: My criticism of that would be that the farmer should get it as soon as anybody or as soon as possible because it is old news by the time the farmer gets it, unless

something is being described more fully, as you mentioned.

Hon. Mr. Timbrell: A good example would be the red meat initiatives. We announced them around May 25 or 26 and then they went into the June edition. What they got was the newspaper report, which is always, because of space, fairly limited, just highlights, and then they got all the details, every last bit of them, for those who were interested to pore over them as long as they wanted, to be sure they had everything they needed.

One of the concerns registered by the farm press at the outset was: "Are you going to, in effect, cut us off from information? Are you going to use this as an exclusive vehicle for getting information out?"

Of course, the answer is no. We do not want to thwart their right and ability to be critical, if that is their decision. Certainly I do not think there is any evidence that since the introduction of OMAFNews they have had any less access to information or have been any less critical, if that is what they want to do.

Mr. McKessock: It is not purposely held back from the farmer then?

Hon. Mr. Timbrell: No.

Mr. Snell: The process is that it is printed here in Toronto and, because of this undertaking through the farm press and the weekly farm editors that I met with, I put it in the mail to them immediately. It is then trucked to Ottawa and awaits its priority in Statscan's mailing process and is mailed out from there.

I always estimate that it is roughly two weeks to the farm gate and it would be from two to three days from our office to the farm newspaper. The newspaper has first crack at any of the columns, news, facts and figures—and they do take advantage of them, and rightly so. It would not be fair to scoop them.

Mr. Swart: There is no doubt about it, this paper has two purposes. One is to inform the farmer of the government's policies and what is taking place in agriculture as far as OMAF is concerned. The other one is to put it out in a light which is promoting the government. You are not going to criticize yourself.

So in putting out this paper you are performing two functions. You are promoting the government's policies and you are informing people of what those policies are. It is partly political.

Does the minister think that is a good use of government funds? Most of the news was getting out before, either through Town and Country or

the other farm papers or in the regular media. Now you assure that it all gets out.

When these news items went out before, frequently the media would call the farm critic for the opposition parties. When the farmer got the news about it, he would get not just the government's point of view but also that of the opposition or the farming community. You can still get that, but now the farmer looks to this for his information and he does not get as balanced a picture as he did before.

I suggest that you had those two purposes in mind when you started this newspaper—to provide information but also to make sure that policies were fully explained from the government's point of view.

Hon. Mr. Timbrell: If you follow that argument to its logical conclusion, we should stop agripublishing; stop putting out the fact sheets and all the brochures on the various programs, the spraying guide and so forth. We would just give it all to the media and let them do it.

Mr. Riddell: Do not give us that. You put that information out through the agricultural representatives' offices. That is where you get your recommendations for field sprays and crops and things such as that.

Hon. Mr. Timbrell: That is in the same category. It is the government distributing information.

Mr. Swart: You do not distribute OMAFNews to every farmer in Ontario. There is an awful lot of difference.

Hon. Mr. Timbrell: It is available to every farmer. The point is, and this is not to be critical of the farm press, but talk to any editor and he will tell you he usually has an awful lot more on his desk than he can get into any given issue. Size is often a function of the amount of advertising available, so that whether it is Molly McGhee's report or the information about the new grain protection fund or the red meat industry or any of these things, you end up with a very edited version. You still do.

When you are introducing a new program, you want to be sure that everyone knows about it so there can never be someone say, "I did not know that such and such was available; you never told me."

How many times have you criticized us in the past in that regard? We have said, "It was in the agricultural representative's office," and you answered, "Yes, but you did not advertise it," or, "You did not do this," or, "You did not do that."

This way everyone knows what our programs are.

I have a lot of abiding faith in the good judgement of the farm community. If they do not like a program there is no way we can dress it up that will change their minds. They will form their own conclusions, maybe even more quickly than by relying on the media.

Mr. McKessock: If it is a good program the news will spread.

Mr. Swart: I do not underestimate your ability to put out a publication which is acceptable to the farm community—we are not trying to meet their criticism—but which very subtly gets across the government's point of view. I have no doubt about your ability to do that. It is exactly what you are doing.

I just suggest that you are spending a quarter of a million dollars of public money in doing it. If all the ministries did this, and some of them do—you said \$200,000. If you include everything, we are not too far away from a quarter of a million dollars annually now.

Mr. Snell: There are countervailing savings.

Mr. Swart: However, the cost of this publication is \$250,000, or close to it.

Hon. Mr. Timbrell: Our costs are now—what?—about \$190,000?

Mr. Snell: No, \$190,000 to \$200,000.

Mr. Swart: You did not include the cost of the time of your staff who write the articles and so on.

Mr. Snell: It included one staff person.

Mr. Swart: One, but not all.

Mr. Snell: As I have mentioned to the honourable member, we write press releases and they go out anyway. We have cut down the number through OMAFNews, but we still send out press releases and speeches.

Mr. Riddell: How much is the total cost for the postage, printing and distribution?

Mr. Snell: It is around \$200,000 now because we are in that privilege we will reduce that substantially.

Mr. Riddell: If the minister were to visit the agricultural representatives around the province and say, "We are going to sink another quarter of a million dollars into these offices so you can carry on the programs you have had in the past," they would think he is the greatest thing since sliced bread.

Hon. Mr. Timbrell: This year we have put 31 more staff out into the field for the red meat program and for soil conservation, or we are in

the process of doing so. I guess that means they must think I am the best thing since sliced bread.

2:50 p.m.

Mr. Riddell: No, not really. Some of these offices are still underfunded. They cannot carry on with the programs they had in the past. They cannot put out the paperwork they did before.

You are putting out these supervisors. Some of the present offices do not have accommodation for them. Some need more space, but there is not enough money available to relocate into buildings with more space. I am talking to these ag reps as well as you and I am not talking through my hat.

Mind you, they are saying that they are probably not as badly off since the departure of Dunc Allan. I mean no disrespect to Dunc. I liked Dunc. Dunc was the kind of guy who would put the cards on the table and I thought he was honest; those are two virtues I would like to see in anyone.

He just did not cut the mustard with the farmers, as you well know. He did not cut the mustard with a lot of the field workers. I do not know whether that was the reason he was transferred to another ministry and I do not particularly care. What the ag reps are now telling me is that things are improving a wee bit since the days of Duncan Allan. I am simply telling you that many offices are still underfunded.

Hon. Mr. Timbrell: Which ones?

Mr. Riddell: If I start telling you the offices then you or your people are going to go back and criticize them because they started talking to opposition members. I have no intention of telling you which ag reps I was talking to. I am telling you that I have been talking to some ag reps and they feel they still are not able to carry on with the programs they have run in the past.

Mr. McKessock: You have put more on the backs of the 4-H club leaders, which I do not think is quite fair.

Hon. Mr. Timbrell: The 4-H club program comes up in a later vote. I would be glad to discuss the 4-H program; I would be glad to discuss the ag reps' offices, but I do not think it is at all fair. It is highly questionable to make allegations that the ag rep offices are underfunded and not be prepared to say it is Markdale, Kingston, Sudbury or whatever.

Mr. Riddell: No, and furthermore, when the ag reps talked to me—and not all of them are ag reps, but some are in the more supervisory capacities—they said, "I hope that this is confi-

dential between you and me." You can understand their position.

My father was an ag rep for 42 years. There was not one speck of politics mentioned around the table because at that time if you talked politics, if you spoke out against the government, you might have found that you no longer had a job. I kid you not.

Hon. Mr. Timbrell: That was in the days of the Hepburn government.

Mr. Riddell: Some of the ag reps still feel the same. Some of the ag reps feel that we, as opposition members, come in and start saying: "We spoke to such and such an ag rep and the ag rep said they are not getting the funding they need. They need more space. They do not have the funding to relocate."

I am telling you that the ag reps have actually told me this. They have also told me that they do not mind my mentioning the subject in a general way, in estimates, but they did not want their names mentioned. I have no intention of mentioning their names.

Hon. Mr. Timbrell: It is a funny thing. Last year you raised specific instances in which you thought ag reps' offices were understaffed or whatever and no one has been harassed since. My colleagues in the government caucus do not hesitate if they think there is a problem in their local ag rep's office.

Mr. Riddell: How do I know they have not been harassed?

Hon. Mr. Timbrell: Ask them.

Mr. Riddell: Since the last estimates—and I have been talking to the ag reps—they have asked me not to mention the names of people from whom I got the information. Maybe they have been harassed.

Hon. Mr. Timbrell: If you talk to them that often, you would have heard.

Mr. McKesock: I think it would be a good idea if you sent out a directive to your ministry offices, to the ag reps, saying you would welcome any criticism they have and that their jobs or anything else will not be in jeopardy. That is what those offices are for, for the staff there to get back to you on what the problems are.

Hon. Mr. Timbrell: I started the system—and I hope whoever succeeds me will keep it up—of getting a monthly report from every ag rep. It comes straight to my desk. At one time or another every single one of those ag reps has in those monthly reports criticized a program, said that certain things should have been considered, said that this is not going to work or that "we think in

this county"—"we" being maybe the milk committee or—

Mr. Swart: That does not go into OMAF-News, does it?

Hon. Mr. Timbrell: Each issue would be very thick if I published all those.

Mr. Swart: There is nothing at all in OMAFNews that is critical of OMAF programs.

Hon. Mr. Timbrell: There is no lack of access there. On top of that, Dr. Rennie and Norris Hoag, who is the head of the branch, are regularly on the road, visiting the agricultural representatives' offices, looking over the physical conditions, and talking to them about what is going on in their offices.

If there are any problems, they ask about them, whether it is accommodation or anything else. One day I got off a plane and an ag rep picked me up, driving the worst clunker I ever saw. That car was soon replaced. There is no lack of access to me, the deputy, the assistant deputy or the head of the branch.

This is a unique ministry in the whole government. I have never been in another one like it. I do not think there is another one like it, with the possible exception of the Ministry of Northern Affairs, with regard to the relationship between the minister and the field staff. Whenever I go into a county on a farm tour, I always drive with the ag rep. I find out what is going on, and what the beefs are.

Therefore, I am afraid I cannot buy some of the things you are saying.

Mr. Riddell: Maybe you cannot, and I do not really care if you feel I am not telling the truth. I am simply telling you—

Hon. Mr. Timbrell: Do not get cute with words.

Mr. Riddell: I talked with an ag rep as late as last night, and I still got the message that they are underfunded and space really is not available for the additional supervisors you have put into the offices or that they are expecting. The person I was talking to thought it was likely he would be getting one of these soil conservationists, and he said, "You know, we are really cramped for space as it is."

Mr. Swart: Mr. Chairman, maybe we have been getting a little away from OMAFNews.

The Vice-Chairman: I think we have. We have supplementaried our way off the subject.

Mr. Riddell: I want to get back to OMAF-News too, but I want to tell you, Minister, it does not go back to Hepburn's days. You well know

there was a forester who spoke out against Natural Resources or Northern Affairs policy. You know what happened to him.

Do not give us the guff about people being a little reluctant to discuss politics when they are in the civil service and that that only applied to the past. That certainly does not apply only to Hepburn's days. For the bulk of the time that my father was an ag rep, a Tory government was in power.

I can assure you, ag reps did not speak out against government policy or anything else then, because they knew what was apt to happen. I am simply telling you this does not go back just to the Mitch Hepburn government.

Hon. Mr. Timbrell: I am saying there are many means we have provided to make sure the ag reps have access to myself and the senior management of the ministry. If someone feels aggrieved about a policy or whatever, there should be no excuse for it not being raised.

You mention office space. We are constantly reviewing that question. There are three under review right now. The Ministry of Government Services is looking for a new location for the Stormont county office—I made the decision a year or so ago to move it out of Cornwall and put it out in the country where the farm population is—Huron county, the Clinton office; and Bruce county.

Every year, part of our capital program is for improvements to our county offices and, in some cases, brand new ones.

Mr. McKessock: I think a personal letter from the minister to clarify some of these points would not hurt, to make sure criticism is welcome and there is not going to be a reprimand because of it. I have spoken to different staff throughout the province and have often suggested they should get the areas of criticism through to the minister.

I had the impression that I was supposed to do that, but we do not always get our criticisms through and acted upon. I say to them: "You should be the ones who are going to the minister. He probably will listen to you as much as to anybody."

3 p.m.

Hon. Mr. Timbrell: If I remember correctly, when we started the program, the reporting system, back in February or March 1982, I did send a letter to all of the ag reps explaining that I did want to hear from them and that I had confidence in their judgement. The reason I wanted to hear from them was because I felt that with 54 offices spread around the province they were as good a listening post as any.

Mr. McKessock: And their staff.

Hon. Mr. Timbrell: Yes, they usually include a report from the county engineer, the ag engineer, and other staff in their offices, depending on what kind of problems and issues are current at that point.

I cannot say to you that I am uniformly pleased with the reports. Some of them are pretty skimpy at times, but that is not for lack of asking for information. Others are very detailed.

My policy is, where an issue is raised in a report that clearly needs to be followed up, then I turn it over to the appropriate staff in the ministry head office and my general instructions are they are to get back to that ag rep and let him know I have read it, and that his concern is being followed up.

Mr. Riddell: Getting back to OMAFNews, the real reason you initiated that publication was to impress the farmers that you were putting a higher profile on agriculture than did some of your predecessors.

Hon. Mr. Timbrell: You want to know where it came from? I was in Prince Edward Island a year ago last July for the ministers' conference, and the Minister of Agriculture of PEI, Mr. Chappell, had provided to all of the delegates a copy of a booklet they put out—I think it is monthly, is it not?

Mr. Snell: Listening Post, monthly.

Hon. Mr. Timbrell: Listening Post, yes. I was most impressed with it because it laid out the various programs of the ministry—or Department, I guess they call it—of Agriculture of PEI and any changes. At that time they were looking at changing their milk supply system, going to a board much like Ontario.

I was really impressed that this was something that went to every one of the—whatever it is—10,000, 20,000 farmers on the island. I came back and said: "Why cannot we do this? This is excellent. It is keeping people informed and a well-informed electorate is a good electorate." That is where it came from.

Mr. Riddell: I find it rather odd that, of all the farmers to whom I am talking—and, believe me, I am talking to a lot of them—I have yet to hear one say a thing about OMAFNews, but they are very quick to pull out the magazine, Canadian Cattleman, and they are very quick to turn to that article which indicated what other provinces were doing for the red meat industry. Quebec was an example. As a matter of fact, I alluded to one of the articles in my opening statement.

They will pull out these other farm magazines, but I have yet to hear one comment on OMAFNews. Now, if they are satisfied with it, they are sure not saying so. If they have any criticism of it, they are not saying either. But I am wondering if that money would not be better spent in putting a lot of this information in the hands of the extension people and let them distribute it. That is their job.

I am not sure it is your job to be putting out a publication to every farmer in the province when you have the extension branches, and surely that is what you depend on those people to do, distribute information.

Hon. Mr. Timbrell: Let us think about that. What would it cost? What would it cost an additional staff to print information like that and then say to the people in the 54 offices, "Make sure that you deliver this to every farmer in your county, district or region"? It is going to cost an awful lot more than doing it the way we do.

Mr. McKessock: Do we not get a monthly letter from the ag offices?

Hon. Mr. Timbrell: Only in some counties. It is not universal.

Mr. Riddell: Why do you feel you have to get this propaganda into the hands of every farmer in Ontario? They did not ask for it.

Hon. Mr. Timbrell: Is that the role of government? You sit back and you do not take any leadership role at all?

Mr. Riddell: You have your extension offices and the farmers can come in there. I would think you would want to encourage more farmers to make use of the extension offices.

Hon. Mr. Timbrell: We do.

Mr. Riddell: That is where I think the distribution of information should take place, the ag rep office. If you really want to be honest with yourself, you know that this publication is nothing more than a promotion exercise of your ministry.

Hon. Mr. Timbrell: If you take that kind of viewpoint which, with all due respect, is more than slightly cynical, then you could make that comment about every publication we put out.

Mr. Riddell: No, the publications you put out and into the ag rep offices and into the display cabinets—when the farmers come in, they go through them. If they want to learn something about your tile drainage or young farmers program, it is there.

Hon. Mr. Timbrell: The tile drainage brochure does not include the criticism you have of

the program or that Mr. Swart has of the program.

Mr. Riddell: Are you putting that in your publication? Are you putting our criticisms in your publications?

Hon. Mr. Timbrell: Do you want us to?

Mr. Riddell: To my way of thinking, this is what a farm publication should be all about, not only to promote your program but also to indicate what the criticisms are.

Hon. Mr. Timbrell: That is the role of the media. They do the job very well. I dare say they have not been calling you any less, have not been any less inquisitive since the introduction of OMAFNews.

They get the material ahead of time so they can formulate their opinions, if they have any. They can decide which of the articles are relevant to their areas and what parts of the articles they want to use. They can call you. They can call the local federation president, the local cattlemen's president, the local WI president, whoever they want to call and get further feedback and input.

Mr. Swart: It is also true now that there is more news going into the hands of farmers which has the pro-ministry slant.

Hon. Mr. Timbrell: The staff are very careful, because obviously when we began the publication I was well aware that you and others, particularly in the agricultural media, would be watching very carefully. My instructions to the staff were that they were to be ultrasensitive to that and that they were not to put any pro-minister, pro-government slant on it. They were simply to explain the facts about the various programs.

We have written articles about various diseases. That is straight factual information. How can you make—

Mr. Swart: There is a lot of factual information. Unlike the member for Huron-Middlesex (Mr. Riddell) I do not deny the fact that a lot of useful information goes into it, but it is still a two-pronged effort. It is sent out to give news and it is sent out to promote ministry policy and to promote the minister.

Mr. Riddell: Absolutely. Not many of those publications come out without the minister's picture in them. I was reading the last publication where you were standing with the Queen at that little session you had in eastern Ontario. Very few of the publications come out where you are not portrayed in some respect.

Hon. Mr. Timbrell: That little do, as you call it, in eastern Ontario was extremely popular with the rural community. It is the first time—

Mr. McKessock: Are you sure they would not sooner have a picture of a good-looking cow?

Mr. Swart: At least he could have said a bull.

Hon. Mr. Timbrell: With all due respect, I never thought I would have heard the member for Grey (Mr. McKessock) pass such silly comments about our sovereign.

Mr. McKessock: I thought it was you I was talking about.

Hon. Mr. Timbrell: Really. Wait until the IODE in Markdale hear about that.

Mr. McKessock: I had a busload down to see the Queen, but when it comes to reading OMAFNews, they would just as soon look at cows.

Hon. Mr. Timbrell: If that were the case then, instead of six or seven requests to have their names dropped from the mailing list, we would have had hundreds, if not thousands. Instead we have had hundreds and thousands asking to be put on.

Mr. Riddell: You know farmers are not going to write in and ask that their names be withdrawn.

Hon. Mr. Timbrell: You do not think so?

Mr. Riddell: When they pick something out of the mailbox that is free of charge, do you think they are going to send it back to you saying, "We want our names withdrawn"? If they had to pay for it, even if it were just a token amount, I do not think that you would have all that many farmers subscribe to that magazine when they have all those others they have to read.

Hon. Mr. Timbrell: We probably would not unload a quarter of the material we do now through the OMAF offices if they had to pay for them.

Mr. Swart: Mr. Chairman, I dare say that we have had all the useful discussion we can have on this.

3:10 p.m.

Mr. Riddell: No; one more point, Mel.

Mr. Swart: I will judge whether it is useful or not. There are other things we want to discuss.

Mr. Riddell: Some of the information is somewhat misleading. It seems to me in one issue of OMAFNews you had a picture of a plough and underneath it was, "Plough deep and straight."

We are getting away from that thought of ploughing deep in trying to conserve the soil. Why would you put out this OMAFNews, which is supposed to include very up-to-date informa-

tion, show a plough and caption underneath it, "Plough deep and straight"?

Mr. Snell: It is probably virgin soil, being ploughed for the first time.

Hon. Mr. Timbrell: That is a good answer.

Mr. McGuigan: All the other people say it is tired soil.

Hon. Mr. Timbrell: I do not recall that particular issue. But one other thing: I do not think I have appeared in OMAFNews more than twice.

Mr. Snell: I could not say, Minister.

Mr. Timbrell: I am certainly not in every issue.

Mr. Snell: In a photograph, you mean?

Mr. Timbrell: Yes. The only two times I can remember are in the most recent issue, with Her Majesty, and the other time was after the first bicentennial farm plaque unveiling in Essex county. I think those are the only two times. So my photo is certainly not in every issue.

Mr. Hennessy: Why do you not put Jack in? Then he would be happy and there would be no problem.

Mr. Riddell: No, I do not want to be in it. I would not be so critical of it if I wanted to be in it.

Interjections.

The Acting Chairman (Mr. Gillies): Order, please.

Are there any other questions or comments on item 5?

Mr. Swart: We are not really on item 5 at the present time.

The Acting Chairman: Oh, we are not?

Mr. Swart: No.

The Acting Chairman: Where are we?

Mr. Swart: The minister responded to me on a couple of general issues.

I have before me a copy of the Kitchener-Waterloo Record of June 18, 1984, which says: "The Ontario Ministry of Agriculture and Food spent \$163,902 on consultants to prepare reports on the red meat industry last year. The Record has learned most of the contracts were let without tender and two of the reports were prepared by a Kansas company." Incidentally, this is a column by Jim Romahn.

It states, "The ministry has spent another \$54,724 on consultants studying office automation, computer and communications equipment and services. Livestock Business Advisory Service of Kansas was paid \$49,677 for a report

about the relationship between the Canadian and Ontario livestock industry."

There are two obvious questions from that. Why did the minister go to the United States, particularly on an issue about the relationship between the Canadian and Ontario livestock industry? Also, why would he not tender after all the criticism there has been about not tendering?

Hon. Mr. Timbrell: What is the date of that?

Mr. Swart: The date of the Kitchener-Waterloo Record is June 18, 1984.

Hon. Mr. Timbrell: What is the headline?

Mr. Swart: The headline is "Studies by Consultants Cost Ontario Ministry \$163,902."

Hon. Mr. Timbrell: There is a fairly lengthy letter from my deputy to Mr. Romahn that I could read into the record. Maybe I will afterwards. It actually predates that article. Perhaps Mr. Doyle can give you some of the background on this and answer some of your questions.

Mr. Doyle: Mr. Chairman, I believe Mr. Swart is referring to a study we arranged, done by the Livestock Business Advisory Service of Kansas City. I did not quite pick up all that Jim Romahn said in that article you are quoting, but the reason we hired an American firm was because we wanted to do a number of things.

Before getting into this, I should say it is one of a number of studies that were made of the red meat industry in Ontario; in particular of the beef industry. They were made in the wake of the \$70-million payout to beef producers and a lot of concern in government circles about the beef industry in Ontario; all were subsequently published, distributed to the public and released at a seminar held in Toronto.

This particular study was commissioned so we could do a number of things. First, to track the relationship over a long period of time between the US industry and the Canadian industry, and to tap the expertise of whomever was chosen on trends in the United States.

We could look at the advice they offer on such things as whether we should draw further calf supplies from the United States, continue to rely on western Canada for half our supplies, or stimulate the industry in Ontario. We felt they were good reasons to employ an American consultant rather than an Ontario or Canadian consultant.

Mr. Swart: Are there not consultants in this field in Canada?

Mr. Doyle: No consultants we know of who would be knowledgeable on American condi-

tions, Mr. Swart. We wanted to do it from an American perspective.

We chose this firm on the advice of a number of people. We did not tender having received Management Board exemption from it. In other words, we observed all the correct procedures.

Mr. Swart: I have not seen these reports, but it states here it was about the relationships between the Canadian and American livestock industries.

I can see the necessity for having somebody look into the whole picture when much of it is on marketing in the United States. If you had a Canadian firm, however, surely it would start with knowledge of the Canadian and Ontario situation that Americans would have had to look into to become knowledgeable. You are telling me we could not get people in Ontario or Canada who could do the same sort of study as authoritatively?

Mr. Doyle: I am surprised you do not have copies of the studies. I will be happy to send all of them to you. There was a series of studies.

As you say, there are realities about the Ontario and Canadian industry, so we tapped various resources. On my left, for example, is John Galloway, who produced in conjunction with others a very fine study. John basically co-ordinated it and produced most of the work, a lot of it original work, on the cow-calf industry in Ontario. It is a fine piece of work.

Rather than initiate studies on the western Canadian industry, we took existing work and had it analysed and put into an easy-to-digest form.

There is a series of studies concentrating on what is going on in Canada and on some of the problems and opportunities for the industry in Ontario. We wanted something from an American perspective also.

It confirmed what many people suspected, that prices on the Toronto market are fundamentally determined in the United States. The report authoritatively states that. It took a 25-year period to track all those things.

It was not just the tracking exercise, it was also advice from this organization on what was happening in the United States. In doing that, it was our judgement we were far better off having an American organization than a Canadian one. Canadian consultants and Canadian input were extensive on all other parts of the studies. If money serves me right, we put out about eight studies on that.

Mr. Galloway: Yes, eight studies.

Mr. Swart: Did you get prices from other consultants in the United States? There would obviously be large numbers of them there.

Mr. Doyle: No, we did not.

Mr. Swart: They just quoted you a price and you took it, or did they even quote you a price?

Mr. Doyle: First of all, we asked a number of people who, in their view, would be most knowledgeable in this area and this company came forward. We also asked some of our colleagues in the United States Department of Agriculture—Bill McMillan, who was and is the assistant secretary, marketing and inspection services, is well known to us. We asked a number of people like that.

This name came forward and we submitted it to the Management Board and asked specifically for exemption from normal procedures.

3:20 p.m.

Mr. Swart: There should have been two or three prices. It would take a long time to determine, from our point of view, whether what you did was justified or not. But certainly from a public point of view, when you are dealing with public money, it seems to me somewhat unwise to be letting contracts of that magnitude to people from outside the country without even getting more than one price.

Mr. Doyle: With respect, Mr. Swart, I do not agree with you.

Mr. Swart: You obviously do not.

I would like to go to the municipal drainage issue now. It is not just the municipal drainage, it is tile drainage.

On vote 2002, agricultural marketing and development program; item 5, land preservation and improvement:

Mr. Riddell: I want to discuss with the minister some concerns I have about the tile drainage program. I am sure there is no need to reiterate the benefits of tile drainage to Ontario agriculture. I think we have had a reasonably good tile drainage program. I do not want to be too critical about a program this government has had now for a number of years and which many farmers have used. There is perhaps no other program that has a more dramatic effect on improving productivity of land while at the same time reducing the energy requirements for land preparation, planting and harvesting.

Inadequate drainage is the one limiting factor to increased productivity and efficiency. Some three million acres in this province still require improved drainage. I may be using a conservative estimate at that.

Rather than limiting the amount of tile drainage loans offered by the province to farmers, the government should be encouraging farmers to install drains that would in turn increase agricultural production and reduce the need for imports.

Maybe when my colleague, the member for Kent-Elgin (Mr. McGuigan) gets into his discourse on soil conservation, he may disagree with what I have to say about tile drainage. He may feel we have gone too far with tile drainage. But I still think tile drainage is a necessity if we are to increase agricultural production.

Mr. McGuigan: I am not against tile drainage.

Hon. Mr. Timbrell: I wish you guys would get together and sort these things out at home.

Mr. McGuigan: Wait until I read you a quote from Spencer.

Hon. Mr. Timbrell: Which Spencer? This one?

Mr. Riddell: I think if you talk to some soil conservationists they will say, maybe, that overdraining land has led to some of the problems we are encountering. However, I do not think much land is being overdrained, perhaps with the exception of the extreme southwestern Ontario, at this time anyway.

The government's present expenditures on the tile drainage loan program are inadequate to meet the current demand. In 1982 the amount applied for by municipalities was about \$60 million. However, the government, while budgeting \$36 million, restricted the allocations to \$29 million.

In 1983 the demand was the same as the year before. The government budgeted \$30 million but restricted the allotment to \$26 million. Moreover, when the principal and interest repayments from previous loans are considered, the new money actually destined for last year's program only amounted to \$9 million. That is not a lot of money to be putting out on such an important program.

The present drainage loan policy of the government must be changed. Rather than imposing limits, the government should increase the funding for this program so the limits would not be necessary. I believe my colleague the member for Essex North (Mr. Ruston) stressed that when he debated his resolution on December 8, 1983. His resolution read: "That, in the opinion of this House, the government, through the Ministry of Agriculture and Food, should immediately allocate sufficient resources to meet all the needs of Ontario farmers for tile drainage

loans and that the maximum loan assistance be increased to cover 75 per cent of the cost of the drainage work as provided for by the legislation."

The present drainage loan policy of the government must be changed and, rather than imposing limits, the government should increase the funding for this program so that limits would not be necessary, which is the point that Mr. Ruston was trying to make in his resolution.

In 1980-81 the government announced restrictions on loans to a maximum of \$200 per acre tiled. The maximum amount that any farmer was allowed to receive in loans in one year was \$10,000 and the maximum cumulative loan was not to exceed \$40,000.

As of April 1, 1980, the criteria were changed and a limit of \$20,000 per farmer in any one fiscal period was imposed, with the cumulative loan total not to exceed \$60,000.

The Minister of Agriculture and Food at that time was sending letters to all municipalities throughout Ontario, encouraging them to reduce the percentage of the loan which the farmer can get to 50 per cent of the total cost, rather than the traditional 75 per cent as provided under the legislation.

In 1982, government funding amounted to only 65 per cent of the cost of tiling. Last year the allocation to municipalities was restricted to that to which they were entitled the year before and the maximum loan assistance to farmers to be continued at 60 per cent of the cost of eligible installation.

Moreover, it must be remembered that something less than half of the some 200,000 acres that are tile drained are new acres. The other half is for maintaining or upgrading the existing tiling.

We are not the only ones who believe the government is not doing enough to meet the tile drainage demand of Ontario farmers. In 1981 a private member's resolution from the government's own back benches called on the government to increase tile drainage loans to more readily meet the needs of Ontario farmers. However, we see that that was to no avail.

The member for Wellington-Dufferin-Peel (Mr. J. M. Johnson) noted at that time that the demand for loans was in excess of \$50 million and stated, "We need more money in the tile drainage program." He also stated, "I believe the method of allocation we have had in the past does not encourage the installation of drains in new, undeveloped areas of the province."

That was your own colleague, Jack Johnson, the member for Wellington-Dufferin-Peel, who made those comments.

Members will be aware that tile drainage loans are allocated by the government on the basis of historical use, which leaves eastern and northern Ontario at a distinct disadvantage in the program.

The late Conservative member for Stormont-Dundas-Glengarry, Osie Villeneuve, who was always a sincere spokesman for the farmers of eastern Ontario, stated: "I have to agree with my colleagues on the other side that there is not sufficient money being placed in tile drainage. This is not a handout, it is an accommodation that will help people help themselves." That member was aware that eastern Ontario has been short-changed by the government in their tile drainage allocation.

Tile drainage loans allocated by the provincial government in eastern Ontario averaged \$1.2 million per county for the 12 counties in that region for the last three years. At the same time, however, Lambton county alone received \$10.4 million for its tile drainage needs.

So that is \$10.4 million a year or two ago for Lambton county and \$1.2 million for 12 counties in eastern Ontario. Is it any wonder that eastern Ontario is somewhat disgruntled with this government's agricultural policies?

Last year's pre-budget submission to the government by the Ontario Federation of Agriculture stated: "All too often, loans allocated one year are simply applied to cover the backlog of applications from previous years. Yet the BILD program speaks of ambitious plans to drain and plough a million acres of virgin soil. Let us get down to work."

3:30 p.m.

"The OFA is anxious that the tile drainage program be set straight once and for all. We take no pleasure insisting, year after year, for adequate funding for such a vital program. Existing funding is inadequate. It has created an element of uncertainty among farmers planning to tile their land."

At last year's annual presentation to the government, the OFA again stated: "We are on record as being concerned with the level of provincial support for this vital agricultural development program. Once again, provincial funding for tile drainage loans is being limited to 60 per cent of the cost of installation. It must be recognized that the money the farmer must raise is generally at a much higher interest rate than that payable on a government loan."

"We strongly urge that your government take action to ensure the viability of the provincial tile drainage program. Specifically, your government should ensure that the tile drainage program is funded at a level that will cover 75 per cent of the cost of tile installation as provided for by legislation.

"Political games, such as the one played by the Minister of Agriculture last year, by promising eastern Ontario farmers—whom the government has neglected for so long in the past—an extra \$200,000 in tile drainage loans, does nothing to increase the confidence of farmers in this program and was nothing more than a meaningless gesture to garner votes in the by-election." That became very obvious. I spent a bit of time in eastern Ontario—all to no avail, obviously—at the time of that by-election and—

Hon. Mr. Timbrell: I spent a bit of time there, too.

Mr. Riddell: Of course, that is the time you expect the government to shove money into an area, but \$200,000 was just a drop in the bucket. I felt it was almost an insult to the farmers of eastern Ontario.

Hon. Mr. Timbrell: They did not think so.

Mr. Riddell: Oh, well, they are going to take whatever they can get and be thankful for it. But it certainly was not nearly enough to meet their needs.

"A reshuffling of those funds already allocated to municipalities helps no one. While some municipalities may make meagre gains, others will lose. Moreover, eastern and northern Ontario farmers are still anxiously awaiting for the government to deliver on another idle promise."

This one made in the BILD program in 1981 promised the establishment of an acreage improvement fund, to drain one million acres of farm land in eastern and northern Ontario. To my knowledge there was never any kind of an announcement as to whether the government intended to go ahead with this program, or whether it has gone ahead with it. It certainly is not obvious to us that the announcement has ever been met. Maybe the minister can tell us how many acres of farm land in eastern and northern Ontario have been drained and brought into production since that announcement back in 1981.

The fact of the matter is, nothing has really changed. The OFA has gone in and has said that 75 per cent of the cost of installation should be made available by way of the tile drainage loan, but at this time they are still only getting 60 per cent.

With commodity prices the way they are now, with the input costs as high as they are now, with interest rates where they are, the farmers simply cannot afford to put up the 40 per cent. If they had to put up 25 per cent they could probably go ahead and drain, but I know there are farmers who are holding back from the program and are not putting in tile simply because of the 60 per cent rather than the 75 per cent, as it used to be.

Let me say again that the tile drainage program has been a good program. It has been one of the good programs the ministry has had. I do not want you to say that I am being very critical of the program. I am simply saying that I think there could be improvements made.

You are really not putting that much new money into tile drainage loans. You are getting that back from the farmers—they are having to pay back every year and there is about \$9-million worth of new money going into tile drainage.

That does not seem like a great commitment on the part of this government for a program that is so important, not only to those in southwestern Ontario, but certainly to northern and eastern Ontario farmers who, if they are to put more land into production, know the first thing to do—I was always taught at the great Ontario Agriculture College that before you ever thought of putting fertilizer on land, the best fertilizer you could ever put down was tile drainage.

I am wondering what your comments are on the tile drainage program. Are you going to change it? Are you going to leave it as it is?

Hon. Mr. Timbrell: I was just checking with one of your former teachers to see if he taught you that.

Mr. McGuigan: Lawrence Kerr says the best thing you can put on the land are the footsteps of the owner.

Hon. Mr. Timbrell: That is probably even more to the point.

The Acting Chairman: I am sorry, are we away from tile drainage? Okay, go ahead and answer.

Hon. Mr. Timbrell: There were a number of points raised there. Do you have the figures there for eastern and northern Ontario?

Interjection: I do not, no.

Mr. Swart: I will be covering some of the same ground. It might be advisable for me to make my comments first.

Hon. Mr. Timbrell: Okay.

Mr. Swart: I have two matters I want to deal with: tile drainage and the somewhat interrelated

matter of municipal drainage. I will deal with tile drainage now and go into the other afterwards.

I concur basically with the comments from the member for Huron-Middlesex. My figures are somewhat different from his on the cutbacks in the amount of new money which are being allotted by your ministry for tile drainage.

First of all, we note that you have cut back in your budget this year by \$5 million—\$5 million below last year's budget—in the matter of tile drainage, which in itself I think is a pretty serious implication.

Second, the net amount you are putting in is dramatically reduced. I have a letter here, signed by Mr. Wood, in reply to a letter which I wrote to him. His letter is dated May 15, 1984. In answering my questions, he said, "The following is the information you requested: new loans, \$23,624,800; repayments, \$18,796,748; interest subsidies, \$6,041,919."

That shows less than \$5 million in new capital was put into tile drainage last year; that is, less than \$5 million new. There was interest of \$6 million, which brings the total money the government put in up to about \$11 million.

To put this whole thing into perspective, the budget you had for tile drainage in 1980-81 was \$26 million; in 1981-82 it was \$25 million; in 1982-83 it was \$30 million; and in 1983-84 it was \$30 million. Now you have cut it back down to \$25 million, even when we know the costs of drainage, in real dollars, have substantially increased over those years.

To put it another way, in 1980 dollars the amount of money you are putting into tile drainage is dramatically reduced. That is about the only way you could describe that. As I say, there is only a \$5-million difference between the repayments you get this year and the new money you put in last year. I suggest that this year not a penny of new money will be going into it.

3:40 p.m.

In an earlier discussion today, the minister made it clear that when you start comparing budgets from one province to another—the percentage of budgets, and there are other areas—you cannot make exact comparisons. That is true, but a point on the plus side for you is that you do not show this \$18-million revenue which you received. That does not come into your budget. I know that. Yet, in your total budget, that \$25 million is included this year, so in fact if you deduct that \$18 million from it, it reduces your budget substantially.

I am just making the point because you made the point earlier, Minister, that you were doing a

lot more. In some areas, you are doing less than your budget shows and tile drainage is one.

Hon. Mr. Timbrell: The Ministry of Health estimates never showed OHIP premium revenue. We are talking about what we are spending, where we are spending it, necessarily without regard to revenue.

Mr. Swart: I just want to point out there has been a very substantial cutback over the past five years in the amount of money you are putting into tile drainage. There can be no question about the amount of real dollars that are going into tile drainage.

You yourself, almost yearly—I have forgotten whether it is in your leadoff statement this year or not, but I know it was in last year—talk about the tremendous value and the tremendous dividends that come from tile drainage. Yet at the same time you are cutting back, and cutting back very substantially. That just does not add up.

I, too, am one of those who believe that tile drainage is extremely valuable. There may be some areas where the outlets may cause some erosion—we are going to be getting into that a bit later—and where we have to take some second looks. But, generally speaking, I think it would be true to say, on the information I have from discussions and from what I have read that, if anything, properly installed tile drainage—if you do not have an outlet which is going to erode badly—probably decreases the amount of erosion—sheet erosion and that sort of thing—rather than increases it.

One other general point I want to make is with regard to the north. I have a report from Dryden which says: "Thirty-five Dryden area farmers have signed a petition asking the Northern Affairs and Agriculture and Food ministries to increase subsidies for the installation of tile drainage to 50 per cent from the 20 per cent. Protests have been made in reference to the AgriNorth program which was introduced in June of 1983." Then it goes on to talk about it.

I want, too, to emphasize the need for much more in the way of tile drainage in the north. I think we all know there are two reasons for the tremendous need for tile drainage if that land is going to be productive. The first is because most of it is flat land, whether you go into the Timiskaming area, the Dryden area or the Rainy River area. Most of the best agricultural land in the north is quite flat, therefore they need drainage.

Second, we all know the season in the north is so short that if a farmer is going to get a good crop he has to be able to get on the land early in the

spring. We are all very conscious of the fact that usually you can get on much earlier where you have tile drainage.

So there is this tremendous need in the north. They have many disadvantages in the north on agricultural production. There should be greater incentive given there.

Hon. Mr. Timbrell: There is.

Mr. Swart: I know there is more incentive being given there than there is down here, but the facts are that there is still a lot of land up there, land which has already been cultivated, which would benefit tremendously from tile drainage but does not have it.

You know, as well as I do, that there would be progress in this area if there were more incentives, if the farmers were to get more assistance than they are getting now; and in a budget where you are probably not putting a net dollar into the general tile drainage program—I am not talking about AgriNorth now—there certainly could be a richer program provided for northern Ontario.

Hon. Mr. Timbrell: We are not putting a dollar into what?

Mr. Swart: I am saying that the likelihood this year is that the revenue you get back, the payment you get back, the \$18 million, will be increased. Last year you got \$18 million back and you paid out \$23 million.

Hon. Mr. Timbrell: Plus the interest.

Mr. Swart: Plus the interest.

Hon. Mr. Timbrell: Last year, over \$6 million.

Mr. Swart: Yes, I quoted that. I was not misrepresenting at all. I quoted that. But I say you probably will not put even a dollar in capital this year into the tile drainage program. The net that you put in the year before last was \$14 million.

Hon. Mr. Timbrell: This year, we have \$25 million available for debentures. Then there is a couple of hundred thousand for northern Ontario loans. Then the interest subsidy, estimated this year to be \$7.1 million, for a total of over \$32 million.

The revenue back to the treasury—it does not come to us, as we have already said—will be something of the order of \$18 million to \$19 million, so the net expenditure then will be of the order of \$13 million to \$14 million. How can you say that is not a dollar?

Mr. Swart: Let me give you my figures. You have \$25 million put in the program. Last year, you had \$30 million.

Hon. Mr. Timbrell: Last year, we spent \$23.6 million.

Mr. Swart: In your budget, you had \$30 million, right?

Hon. Mr. Timbrell: Yes.

Mr. Swart: You spent \$23 million.

Hon. Mr. Timbrell: Point six.

Mr. Swart: With new loans last year, according to the information I received from Mr. Woods, \$23,624,800.

Hon. Mr. Timbrell: It was \$23,608,500, but anyway—

Mr. Swart: I have this in writing. I therefore assume it is correct.

Hon. Mr. Timbrell: I have it in writing.

Mr. Swart: Which one is right?

Hon. Mr. Timbrell: I will show you mine, if you will show me—never mind.

Mr. Swart: There is a difference here, in the information which I have received from your ministry, from the drainage co-ordinator, of \$5 million. I suggest that, with the shape of the economy—plus \$6 million in interest, I am talking about capital now—

Hon. Mr. Timbrell: Do not make that a throwaway. That is still \$6 million.

Mr. Swart: I am talking about capital.

Hon. Mr. Timbrell: Yes; well, that has to be paid.

Mr. Swart: There was a \$5 million capital difference last year. You are not going to spend \$25 million this year. You were not up to your full budget last year, you were not up to your full budget the year before, you have cut back your budget. What makes you think you are going to be spending \$25 million?

Those farmers out there are in a desperate situation, when you are giving them only 60 per cent. They are not going to get that money out. The farmer is not going to be able to afford it.

Hon. Mr. Timbrell: Let us hold on—

Mr. Swart: Then you get more money in, so the likelihood is, if I had told you last year when there was a difference of \$14 million in the previous year between what you received and what you paid out, or what you had in your budget—we know exactly what you paid out—if I told you that last year that there was going to be only \$5 million difference, you would not have believed me.

I will be willing to bet you that, if you do not change your program, you will not invest \$1 in

new capital in farm tile drainage this year. You will pay a subsidy on the interest.

Hon. Mr. Timbrell: I am never sure whether you are a socialist or Social Credit, because you treat this interest subsidy as if it is a throwaway, as if it does not exist. It has to be paid and it is part of the government's overall commitment with respect to tile drainage.

Let us just back up here. In the north, between the overall provincial tile drainage program and AgriNorth, on most projects we cover 75 to 80 per cent of the cost of installation between debentures and a 20 per cent AgriNorth grant. That is pretty healthy.

Do you think we should cover 100 per cent? Is that what you are suggesting?

Mr. Swart: I am suggesting that whatever you are covering is not adequate enough to get the kind of tile drainage we need up there.

Hon. Mr. Timbrell: I can tell you there is no evidence that this is holding people back. I have met with many farmers in Cochrane and the Timiskaming clay belt and the Rainy River valley and the Thunder Bay area, and there is certainly no lack of enthusiasm for tile drainage.

3:50 p.m.

You can pursue that argument to its logical conclusion: if we paid for the whole thing and gave it to them, there would be even more interest than there is now. With respect to the east and the north under the general program—since I have become minister we have bought every debenture the municipalities offered up in eastern and northern Ontario.

We had a small carryover from last year of how much?

Mr. Spencer: Two or three hundred thousand dollars.

Hon. Mr. Timbrell: Yes. That was in other parts of the province, but in eastern and northern Ontario—which I agree should have higher priority and I have indicated as much right from the time I became minister—we have bought every debenture. We have pushed hard, and I mean hard, to the point of making the then federal minister rather obnoxious at times, to get the eastern Ontario subsidiary agreement drains completed.

We have had three reallocations in the program. I think we are down to maybe three drains. We are left with maybe three—is it four? No, the Reed drain has been funded, I am told.

Mr. Spencer: Yes, the Reed drain has been funded. It depends on whether you include the Paynes drain or not.

Hon. Mr. Timbrell: Okay. If they include the Paynes drain, then it is four, out of an original list of what—63 was it?

Mr. Spencer: Sixty-three unfunded, yes.

Hon. Mr. Timbrell: Yes. So we have certainly pushed to improve the drainage situation in the east and the north.

Regarding this business of 60 per cent, even though the legislation provides a maximum of 75 per cent, prior to my going to the ministry there were—and I regret to say there still are—some municipalities that were never funded anywhere near that amount. They took it on their own hook to decide in their particular municipality they would cover maybe 30 per cent, 35 per cent or whatever percentage of a project in order to, they thought, spread the wealth further.

I instructed staff to recommend to the municipalities that they cover 60 per cent. In other words, I was trying to get some municipalities to come up from where they were, so there would be a uniformity across the province.

I knew we could not get, with the funds available, to 70 per cent. We could, I guess, but it would mean fewer projects and many million fewer feet of tile installed. So 60 per cent is a recommended figure to try to raise up certain areas. I regret very much that there are still some municipalities that are not doing that.

Mr. Swart: What percentage of the municipalities in Ontario that are using tile drain formerly went to the 75 per cent?

Hon. Mr. Timbrell: Maybe Mr. Spencer could tell us. The question is what percentage of municipalities or what number of municipalities previously funded projects at 75 per cent.

Mr. Spencer: I cannot tell you the number. All we can tell you is that when some of them were able to grant at 75 per cent and some of them were at a lower percentage, the overall average for all of the debentures was around 60 per cent. It was actually slightly lower than 60 per cent, 57. That, in effect, is a weighted indication, but I cannot tell you how many were precisely at 75 and how many dollars they spent, versus how many were at various levels.

We certainly knew the municipalities that were at the lower levels tended to be dealing usually in the smaller amounts of money and tended to be in a central area in the province.

Mr. Swart: Yes. I would have made the comment from my, granted, somewhat limited knowledge that the majority of the municipalities that were into tile drainage in a fairly major way

were at the 75 per cent level. Am I not correct in that?

Mr. Spencer: Yes. The southwest and then, I would say, the eastern and the north. Many of the municipalities were at 75 per cent, or at least above 70 per cent, and that was really where roughly 75 to 80 per cent of the money was being loaned. What we call the central and western regions tended to be a little bit lower and 30 per cent of the money was going into those areas.

Mr. Swart: The state of the economy and the cutback to 60 per cent would be two of the main reasons, would they not, that there was this quite substantial reduction in the amount of new loan money that went out last year and the previous year?

Mr. Spencer: Yes, the other thing that has an effect is weather conditions, particularly at critical times of the year, such as the fall season.

Last year, in some parts of the province there were very bad fall conditions and we did have a substantial slowdown as a result.

The actual overall industry does not fluctuate greatly but 10 per cent can mean quite a bit.

Mr. Swart: The figures I have here—they came from your ministry—show that in both 1980-81 and 1981-82 the actual debenture expenditure was over budget. In 1982-83 it was slightly under and, of course, last year it was dramatically under budget.

I would think those two factors—that loans were cut down to 60 per cent and the state of the economy—were prime factors affecting the expenditures.

The demand and the need are still there for tile drainage loans. I think it is up to the level of two or three years ago, and even greater if we allow for inflation. If it were moved back up to 75 per cent again you would receive more applications, get more money out and get more tile drainage installed.

Mr. Riddell: There seem to be some contradictory statements here. Did the minister not say, just a few minutes ago, that holding this level to 60 per cent is not keeping farmers from draining their land? I am sure he made the statement that he does not think the 60-40 ratio is keeping any farmers from draining their land.

Dr. Switzer: My interpretation is it was based on the fact the money was not being spent. If there is still money there, after farmers have had an opportunity to apply for it to drain their land, I think one could argue they do not require it at that time.

The points Mr. Swart makes could, of course, be factors also.

Mr. McKessock: Jack was pointing out that if farmers have to put up more money, they cannot afford to go after the money that is sitting there. The farmer cannot afford to pay his share.

Dr. Switzer: I understand that point. I am having just a little trouble trying to follow Mr. Riddell's—

Mr. Riddell: I made the argument that, with the low commodity prices farmers have been and are receiving, with high input costs and with interest rates where they are, farmers are not making applications for tile drainage loans, knowing they have to put up 40 per cent.

I said many farmers are not draining their land because they cannot afford to put up the 40 per cent. I understood the minister to say he does not think the 60-40 ratio is keeping farmers from draining their land. Did I misunderstand what he said?

Mr. Acting Chairman: Perhaps we could ask the minister to clarify that, unless Mr. Spencer wants to make some comments.

Mr. Spencer: There may be substitution. People who would like a 75 per cent loan and who may not tile because it is not available, are being replaced by people who had additional moneys, or whatever, and were prepared to go with the 60 per cent.

The amount of tile that has been installed has not varied over about 10 per cent in the last four to five years. If you are talking about profit margins and so on, 10 per cent can be significant.

Whether the change to the 60 per cent loan level has had an impact is very difficult to determine.

Mr. Swart: When the \$29.2 million that was used in 1982-83 dropped last year to \$23.6 million—from the figures I received later on—there has to be some reason, especially when there is \$30 million in the budget.

4 p.m.

There is prima facie evidence in the last Farm Credit Corp. report that farmers are in greater difficulty. It seems to me—and I guess this is a subjective opinion; the minister gave his subjective opinion—the main reason is they think they simply cannot afford it. They are not going to borrow another \$10,000 when they have all the debts outstanding at present.

The bottom line of what I am saying to the minister is that if tile drainage is as valuable as it is reputed to be for agricultural operations, and I believe it is, then let us move back up to 75 per

cent and increase it in the north and east proportionately to see if we get more tile drainage.

What bothers me is that this year we have a cut in the budget by better than 15 per cent. Last year we had an expenditure which was 15 or 20 per cent below the budget. If the same holds true this year, there is going to be a dramatic reduction in the amount of tile drainage carried out. That is my concern; I think it is legitimate and it is a mistake to make those kind of cuts.

We should reverse the policy with regard to limitations that were put on with regard to the 75 per cent and the other limits, and endeavour to get more tile drainage installed.

Dr. Switzer: If I may, Mr. Chairman, Mr. Spencer could respond to some of what the member has said. I think he could respond to the point on the comparison of 1982-83 to 1983-84, because there was something in 1982-83—

Mr. Swart: There was \$6 million for BILD, I realize that.

Dr. Switzer: However, the other point I would make, sir, is the question of weather conditions in the fall of 1983 versus those in 1984. It is my information that all the money will be expended this year, partly at least because of that difference. Last year it was not being spent—giving due credence to the two points you have made—partly because of the weather conditions last fall.

Mr. Swart: The weather conditions in the fall of 1982 were also very bad.

Mr. Riddell: Really it begs the question. Why should there be a limit in the amount of money that is available for tile drainage?

Hon. Mr. Timbrell: Are you suggesting we should have an unlimited budget?

Mr. Riddell: Recognizing the fact that so little of the total provincial budget is being spent on agriculture, and recognizing that tile drainage is most important, if indeed you are serious about bringing more land into production—

Hon. Mr. Timbrell: What percentage of the provincial budget should go to agriculture?

Mr. Riddell: I would like to see two per cent.

Hon. Mr. Timbrell: In fact, it is about 1.8 per cent when you add our expenditures to those of the Ministry of Revenue that are going directly to farmers, for instance. We are almost at two per cent now.

Mr. Riddell: Here we go again.

Mr. McKessock: Even if you give unlimited dollars towards it, the tile drainage budget has a

limit because we have only so much farm land in Ontario.

Hon. Mr. Timbrell: Do you think we should even maintain the present system? Should we go to a program in which all the money comes from private lenders and we pick up an interest rebate and get out of this kind of system?

Mr. Riddell: I do not think so. That is my personal view. I believe the program is good, but I could not understand why we put on a limit which means that some farmers are going to be able to drain their land and others are not because they cannot get the money.

Hon. Mr. Timbrell: Depending on how you structured it, I suppose, you could add another \$10 million or \$20 million. Whatever level you set, you would find some people still saying they could not get on.

If you go to 75 per cent, are you not going to find some still saying that 25 per cent is a burden? You are going to be back in estimates a year or two years from now saying—

Mr. McKessock: It worked well for years.

Hon. Mr. Timbrell: I had to leave the room before Mr. Spencer started to answer, but I would be surprised if many municipalities ever loaned at 75 per cent, even though we have allowed for it since the beginning.

Interjection.

Mr. Swart: Let Mr. Spencer repeat himself for the benefit of everyone.

Mr. Spencer: What I said was that it is difficult to tell how many there were. When they could loan at 75 per cent and when you took all of the averages you came out at somewhere between 57 and 60 per cent as the average loan, which means on a weighted basis that some were at 75 and then they ranged all through the piece.

The other thing I said was that it tended to be the municipalities that had the larger programs that did lend at the higher rate. Those tended to be in the southwest, in the east and north. What the actual numbers would be is very difficult to tell.

The Acting Chairman: Before we got into this rather free-wheeling discussion, Mr. Swart had the floor.

Mr. Swart: I want to deal with the matter of municipal drains. Whether we deal with that topic now or whether we go back, now Mr. McGuigan is here—I know he wanted to deal with the matter of erosion.

The Acting Chairman: Mr. McGuigan, is your question on tile drainage specifically?

Mr. McGuigan: I would like to engage in a dialogue about the 1.8 versus one per cent.

The Acting Chairman: If you are agreeable, Mr. Swart, we will do that first and then come back to your point on municipal drainage.

Mr. Swart: Yes, I know Mr. McGuigan wanted to get into the erosion problem this morning.

Mr. McGuigan: On the 1.8 or 1.7 or whatever percentage is going to agriculture as compared to the figure of one per cent, we really have to look at our competitors. In agriculture we are all competitors around the world, whether it is the European Economic Community or the United States. All these figures only have a meaning in reference to our competitors.

You are going to say that we give so many millions back in education tax, or property tax rebates, which are largely the basis of education. If you look at Europe—Britain I know specifically, I do not know about Europe—there are no education taxes. It is your land.

Hon. Mr. Timbrell: I have not been comparing to Europe.

Mr. McGuigan: You have to compare it to Europe. Those countries are our competitors.

There are people in Kent county who farm in Missouri, in the United States. The reason they went down there is because there are no education taxes on the land. Soybeans and corn are all priced on that basis.

Hon. Mr. Timbrell: There are a lot of other taxes they do not have down there either.

Mr. McGuigan: You would have to factor them all in.

Hon. Mr. Timbrell: Sure. They also do not have medicare.

Mr. McGuigan: Look at fuel taxes; generally around the world agriculture does not pay fuel taxes.

Look at \$100 a year for a truck licence fee; that was established on the basis of the mileage covered by farm trucks. A number of years ago they did a survey; I was part of the survey, so I should know. Based on mileage, \$100 was the proper fee. It varies from farmer to farmer, but that was an average. We were not getting the service as compared to highway transport trucks and companies who have trucks on the road every day. Most of the farming trucks are seasonal.

You can carry that through a number of programs and you find when you get down to a comparison based on the bottom line of what happens in Ontario and in other provinces, or in the United States or Europe and you are told,

"We pay it back to you," that does not count because we are working in that global market.

Hon. Mr. Timbrell: If you look at Europe where 75 per cent of the budget of the European Economic Community is for the CAP, common agricultural policy, which is bankrupt—and you know all they have gone through in the last couple of years to try to bring that under control—

Mr. McGuigan: It is the basis of a lot of our troubles.

Hon. Mr. Timbrell: For our problems. They have their own problems with it because of the level of expenditure.

Mr. McGuigan: It causes us a lot of trouble.

Hon. Mr. Timbrell: That is a whole other area to get into. I do not think anybody in Canada is trying to match, per cent for per cent, what the Brits and those on the continent are spending on agriculture.

Mr. McGuigan: In this market it would be silly.

4:10 p.m.

Hon. Mr. Timbrell: I know that and it is a big factor in all of our General Agreement on Tariffs and Trade negotiations. It is an awful pain in the butt.

Mr. McGuigan: I was not asking you for similar subsidies. I was just saying that it is not fair to add that 0.8 per cent—

Hon. Mr. Timbrell: It is not 0.8; it is 0.6.

Mr. McGuigan: —to say that is what farmers are getting. You have to do that in relation to the rest of the world.

Hon. Mr. Timbrell: With respect, I think we have to do it in relation to Canada and to North America. In this province there is no other industry that gets anywhere near the level of financial support, either in total dollars or in percentage of the provincial budget. No other industry compares to agriculture.

Mr. McKessock: Do you take the Ontario Development Corp. funds into account in that?

Hon. Mr. Timbrell: Sure.

Is that the complete book on the field estimates? That is just ours. Do you have the complete book there?

Our budget this year is about \$334 million. You add in the expenditures on farm tax rebates and fuel tax rebates and these kinds of things and it comes to another \$165 million, roughly, for a total of approximately half a billion dollars.

I am not including expenditures from the Ministry of Transportation and Communications, for municipal roads, bridges, culverts and

so forth. I am not including expenditures from the ministries of Education, Housing or Community and Social Services or any other ministry for services of one kind or another in the rural areas.

Mr. McKessock: Which everybody else gets as well.

Hon. Mr. Timbrell: That is why I am not including them.

Mr. McKessock: Right, so why would you?

Hon. Mr. Timbrell: Exactly, that is why I am not. I am talking strictly about services that we provide directly to the farm population and credits of one kind or another or rebates that go directly to farmers.

If you look at the estimates of the other ministries—for example, those of the Ministry of Natural Resources, which covers mining, timber and a host of other industries in the province—

Mr. McGuigan: Just give them the free trees and free rocks.

Hon. Mr. Timbrell: —are roughly \$422 million. The Ministry of Industry and Trade, which includes the three development corporations, the technical centres, Innovation Development for Employment Advancement Corp. and lord knows what else, their total budget is \$77.8 million.

Mr. McKessock: That includes all the loans that are out under the Ontario Development Corp.?

Hon. Mr. Timbrell: That is their budget for this year—or at least are to be voted. I do not think they have had their estimates yet. They are coming up.

Mr. McKessock: Are they not separate, though? The Ontario Development Corp. is a crown corporation, their figures would not be in there, would they?

Mr. McGuigan: There is no end, Minister, when you start making these comparisons.

Hon. Mr. Timbrell: I believe they are, but even if they are not—

Mr. McGuigan: How much land do the forest companies pay interest on?

Hon. Mr. Timbrell: Lots of them, but my point is when you look at the level of government support, there is no other industry in this province that gets anywhere near the level of support that agriculture gets.

When you take our budget, which is about 1.25 per cent of the total provincial budget, and add those other commitments and expenditures to which I made reference, you are up to about

1.8 per cent of the provincial budget, which is getting very close to what you are talking about.

I have not examined the budget, let us say, of the department in Quebec. There was some reference made to it. I do not know, for instance, whether they are taking the total budget. My friend Mr. Jean Garon, the minister in Quebec, is responsible for fisheries as well, so if someone is taking his total budget, they are including the fisheries budget, which in our case is in the Ministry of Natural Resources.

I do not know, for instance, if they took that budget, whether or not that includes things comparable to the things we do for agriculture in Ontario that are not in my budget but are in the budget of the Ministry of Revenue. At least, they are shown as expenditures by the Ministry of Revenue but they are, in fact, for agriculture.

Mr. McGuigan: It is the position of the farmer that many of these things, especially the farm property tax rebate, is money that should never have been charged in the first place. In fact, you acknowledge, when you give it back, that is money that should not have been charged in the first place. There was a whole argument made about whether people come out of houses or out of the land. You know all about that.

Mr. Riddell: Included also is crop insurance, for which, of course, you are reimbursed by the federal government. You have tile drainage loans, you have crop insurance and you have the farm tax rebate all included in your budget.

As Jim says, the property tax should never have been charged in the first place. The fact that you are rebating the farmers is an admission by government that it should not have been charged in the first place, it should not have been charged back from the feds.

The farmers pay back the tile drainage loans, but they are all included in your budget. If you were to take those away from your budget, we would be talking closer to 0.5 per cent of the total provincial budget.

Hon. Mr. Timbrell: Except if you follow that line you are going to have to reduce all the revenue that the government gets from all sources for all purposes and, all of a sudden, the total provincial budget is going to be a lot lower. That is a real mug's game when you start into that kind of argument.

Mr. McGuigan: We just want to point out it is not as simple as you say.

Mr. McKessock: It is quite a problem, but you were saying that farmers get more than anybody else. When you look at industry, you

have to take into account the fact that they get their hydro much cheaper than farmers do. There are a lot of things in which industry has benefits that farmers do not have; it branches out into a lot of different areas.

Mr. McGuigan: Like tariff protection.

Hon. Mr. Timbrell: We could go down that road interminably—

Mr. McKessock: Yes, that is what I mean. I do not think you can just say—

Hon. Mr. Timbrell: —when you look at some of the charges that certain sectors have and do not have. Industry has a lot of charges relative to sewers and water treatment and so forth.

Mr. McKessock: How much of that does the government put in?

Hon. Mr. Timbrell: You could really get into a mug's game. All I am pointing out to you is that if you take the total budget of Ontario, and you take the budget of the Ministry of Agriculture and Food and the portion of the budget of the Ministry of Revenue which goes directly back to farmers, we are approaching two per cent of the provincial budget.

Relative to Europe, it is probably not as high, but, on the other side of the coin, as an example, we spend more of the provincial budget, as a percentage of gross national product and gross provincial product, on health care than they do in Britain.

Mr. McGuigan: All I wanted to point out was that there are counterarguments.

Hon. Mr. Timbrell: Sure.

Mr. Riddell: If the farmers could get the price for their products, they would tell you where you could put your subsidies or any other government program.

Mr. McKessock: One did. I do not know whether—

Mr. Riddell: It is the only industry I am aware of that does not have a price tag put on the product when it leaves the farm gate or the manufacturer's door or whatever it is. You have to look at it in that respect too.

Hon. Mr. Timbrell: Yes, I do.

Mr. Riddell: If farmers are going to be expected to put out high quality food at reasonable prices, in many cases not even getting back what they put into producing that product, then we have to help them.

Hon. Mr. Timbrell: I am not disputing that. I make the argument repeatedly, and I find that most people accept the argument, that, given all of the variables over which the typical farmer has

no control, as compared to people in just about any other industry, the government should do more for agriculture than it does for other industries, but I wanted to highlight the fact by giving you some numbers that that support is significantly greater than for any other industry.

Mr. McGuigan: I want to talk about soil conservation. I am to some extent repeating what I told the resources development committee, but I gave that committee credit for initiating some of the things that have started here.

When Russ Ramsay was Provincial Secretary for Resources Development we brought in Dr. Charles Baldwin and saw his slides and made a number of people aware of soil conservation. Other things have happened too besides that, but if you want to pinpoint when some action started, it started from that point.

We see a good deal of movement. However, I want to make the point that we are still just biting around the edges of the problem. You have given \$25.5 million for a soil conservation and environment fund. As far as the soil conservation end of it is concerned, most of the money so far is going into structures. It is going into drop inlets, revetments and so on, that let water down into open ditches without cutting the bank of the ditch away.

4:20 p.m.

Some of the fund is also for improving manure storage. I would maintain that the manure storage deal, while a very fine program for storing manure, is not doing much for soil conservation. It is mostly liquid and is a very fine way of handling manure in terms of labour and capital costs. You do not have to pitch it, you do not have to have forklift trucks and loaders and so on; you can pump it.

One disadvantage, of course, is that you cannot put it on in the winter. You have to wait until the ground thaws. We all know that we have to plant our crops early, we are all rushing seasons. We have to get our corn in by May 10, or even earlier, to get the top yield.

Therefore, to get that manure out on the land you pretty well have to do it when the land is not really fit to travel on as far as the moisture content is concerned. Any farmer knows that when you walk on it, by yourself or with horses, let alone big equipment, you compact the soil if it is high in moisture.

We have big tank wagons that weigh 10 to 20 tons, with flotation tires which cover a very wide piece of ground. Then you have to have a 100- or 200-horsepower tractor on the front, again with flotation tires and often with duals. When you

drive around the country in spring, you see these things stuck where they have hit a soft spot.

It was pointed out at the Senate hearings that it is probably the worst way you can apply manure as far as compaction is concerned.

Hugh Bennett, who was the father of soil conservation in the United States, said that manure—and he was talking about straw in manure, because that was all they had in those days—was the bandage for the wounded soil.

There is a public perception that, when you are doing things with manure, you are doing a great deal towards soil building and conservation. I am saying that it is quite questionable how much benefit there is in liquid manure storage. It is a very great benefit as a means of using that material and keeping it from getting into our streams and rivers. It benefits the environment because, before these structures were put in place, seepage from the farms in many instances got into streams and killed fish and did all sorts of damage.

Therefore, as an environmental alleviation, I see it as a great program. I do not see it as a great program for soil conservation. In addition to its leading to soil compaction, because it is not straw manure we are getting material that is fairly low in organic matter. The chemical factor, of course, is very beneficial. It adds nitrogen, phosphorus, potash and trace elements, along with bacteria and fauna and flora that help the soil. There are gains from that, but it does not do as much as when we were out spreading more or less solid manure.

When you look at where this money is being spent in the soil conservation side out in the field—I went to a demonstration with our leader this summer in the Rondeau watershed and they have done some very good work there. The only thing I really saw were structures along the stream banks, consisting of concrete and nylon mats. They worked very well and gave good service.

They prevent the water flow from cutting away the bank following a storm, when water rushes into a stream. So it reduces the total amount of stream bank erosion that reaches the body of water, which in this case was Rondeau Bay. However, they did not stop any runoff coming from hills and valleys, and that is what the Rondeau watershed is. It was a beach on Lake Erie when Lake Erie was about 100 feet deeper than it is today, so it slopes a matter of four or five miles from Highway 3 down to Rondeau Bay. Some areas are almost flat and then it takes some

quite steep dives. It is a pretty nice bay and it is really difficult to deal with.

The real problem is that a drop of water falling on the soil should infiltrate the surface soil and go down to and through the tile drainage system, but very little has been done to ensure that happens. You have done some work, I admit. You have given \$10,000 towards a no-till planter. We saw the demonstration of no-till machines and we saw plantings where they had been used.

Hon. Mr. Timbrell: Did you see the demonstration at the ploughing match?

Mr. McGuigan: No, I was not at the ploughing match.

Hon. Mr. Timbrell: There was quite a good demonstration put on there on tillage methods. It was quite good.

Mr. McGuigan: It is quite helpful on reasonably level lands. We saw fields that were reasonably level and you could look at the land. You can just look at land and see if it is mobile or not. Every little rain leaves little rills that separate the fine particles from the larger particles. It is just like a sailor reads the water. Did you ever sail and read the water? You can read the land if the land is moving.

We went to one farm where a young farmer was just full of praise for this new system. He was telling us what a great system it was. I looked at the land and everywhere it was moving or had moved, from the signs I saw. If it was that bad after the great improvements, what was it like before?

The young chap was very enthusiastic. It was good land. That Rondeau Bay shore contains some of the best land in the world. When we looked at the corn crop, it was purple up to knee height. I did not want to hurt the young chap in any way, yet he was going on about what a great crop of corn this was and it was purple.

Dr. Switzer and people here know that that means phosphate shortage. When a phosphate shortage is showing up as purple corn, what other elements are also missing? Phosphorus is part of the pollution problem we have.

A great deal more needs to be done on the land rather than at the ditch bank. I welcome these 14 extra people you are putting out there, but we do need to attack the real problem.

If I can just step back to the economic problem we are going to face, I have been to these outlook conferences and I believe most of what they tell us—that we are going to face a tougher economic future in farming, one of the reasons being that many of the countries that were deficient in food supplies are now becoming self-sufficient.

One country that is coming up fast is China. They are renegeing on some of their agreements with the United States; they are not buying the tonnage they once bought. They have gone through privatization to a capitalistic system and that is going to start churning out food. Everyone knows the system works.

We all use a quote some time. Ever since 1917 the government of the US has been exhorting its farmers to produce less and the government of the USSR has been exhorting its farmers to produce more, and neither one of them has been successful.

Hon. Mr. Timbrell: Who am I quoting, you or—

4:30 p.m.

Mr. McGuigan: You can attribute it to me. When you are talking with friends outside, you can use that quote.

Self-sufficiency in food is coming in China; they are soon going to be self-sufficient. It has already happened in India. It is not going to happen in Russia, we know that, because their ideological roots are so deep they are not going to change.

We are down to only one customer, in spite of the terrible things that are happening in Africa. They do not have the transport, not even within the country. We do not have the boats to get the food there fast enough and, of course, there is the money.

We are going into a world where we will have tougher and tougher competition. We will have to start moving, as you have done in beef and in red meat.

There may be specifics, as the member for Grey (Mr. McKessock) has pointed out, but in the overall system I can see where you are headed. You are trying to make these people more competitive in the world market.

You are facing some real competition in Florida and the southern United States where they have solved some problems regarding the health of animals and problems involving insects, parasites and whatever. Because they have 60 inches of rain a year, because it seldom freezes and because they get cheap grass, you are running into tough competition there. There are more cattle in Florida than in Texas. They are going to be tough competition and I see you moving to further improve Ontario farming.

We have to start better production and marketing of cash crops so we become a partner with farmers in livestock. We have to take similar measures to encourage the growing of

more and better cash crops in the way of incentives and agreements.

For instance, you could take a farm or several farms in the Rondeau Bay area and you could offer a contract to the people. You could say: "We will sign a management contract for five years. You follow our sod conservation policies and we will maintain your income at the level it has been for the past five years." You will not lose any money on this type of system.

The benefits you are looking for are reduced fertilizer, pesticide and energy usage. Grow a crop of alfalfa or two to get some cheap nitrogen. There are a number of steps we know we have to take if we are to return to a cheaper method of producing crops, compete in the world market and, at the same time, save our soils. That is one of the things you could do.

Another thing that came out of the standing Senate committee on agriculture, fisheries and forestry was the matter of tenure. This goes back to economics.

If we look at the spectrum of a number of farmers in the United States or Canada, we are moving to both ends of that spectrum. There are people getting into large operations and there are people getting into small operations. The problem is in the middle.

Those people who are growing bigger are doing so because they are renting land. They cannot buy it because of high capital costs.

It was Dr. Wilhelm van Vuuren of the University of Guelph who studied how farmers treated their own land versus rented land. The study eliminated variables in the system—a lot of statistical analysis stuff—so you are actually comparing apples with apples and not oranges and apples. They found that rented land was, in most cases, poor land to begin with. It was stony, poorly drained, and erodable. The land that needed the best treatment got the worst treatment because it was rented.

The factors are well known. Most of these rental agreements—I think they said 77 per cent of them—were verbal. Nearly all are for one year. If anybody does anything to benefit that soil in the way of fertilizing, putting on manure, growing crops of alfalfa or clover, picking up the stones or anything like that, they get no benefit because all those things are done on a long-term basis and the rental is only on a single-year basis.

Many studies have been done on how one would counteract this with, say, five-year leases. There are systems whereby one gives credit to either the tenant or the landlord for the improvements they have made. Even at the end of five

years, for example, if there are still residuals, they can arrange to sell those back to the landlord or the next renter. There are arbitration boards to settle these sorts of things.

I am not suggesting we force such a system on renters, but we could easily develop a system and a lease that would be a model and would be available to people who want to use it. We are moving towards this in many ways; for example, on the Line Fences Act. There was arbitration and the judges could not even read the law, apparently. There are lots of models for it. I am briefly giving some aspects of it. There is much more.

I want to mention another element that came out of this Senate committee. One relates to some of the things I have been telling you over the years. I do not want to spend a lot of time repeating it. It relates to drainage and handling of the soil. I want to assure my friends and you that I believe in drainage. I have my own farm tiled and I would not want to farm without it.

The weakness in that system of drainage was that persons in the Ministry of Agriculture and Food—and the former minister was a great exponent of it—said the way you save your soil from erosion is by draining it and by having it constantly in a receptive form so it will accept the rain; the rain will infiltrate the soil. Thus you have the field well drained. That was a great contributor to preventing soil erosion.

I have been telling you that was true in the past. Now that a lot of the soil is compacted, much soil has been put into large fields rather than small ones where one gets great runs of water over longer distances and now that the cropping system has changed, the water does not infiltrate. It runs off the surface of the soil carrying the soil with it.

I am very grateful to Mr. Spencer—I think it is the same Mr. Spencer.

Dr. Switzer: It is the same one.

Mr. McGuigan: He is the same one. There was something said the other day about two people being in the same grave. "Here lies the doctor and an honest person." When they put him in the grave, they can say, "Here lies the soil scientist and an honest person," and there is only one.

Mr. McKessock: He also comes from up in the Grey-Bruce area.

4:40 p.m.

Mr. McGuigan: Here is what he said: "Its impact for specific study circumstances are reasonably understood, but the global impact has

not been well documented. The overall impact is buffeted by countervailing forces.

"Tile drainage should increase infiltration and reduce direct runoff," which everybody has been telling us for years. "As such, it should reduce peak flows and improve water quality. This should occur"—I am putting the emphasis on "should"—"because of improved soil structure brought about by the growing of a broader range of crops, particularly deep-rooted legumes, which is possible because of better soil aeration, earlier drying and warming of the soils, longer seasons, etc." This is all true.

"With improved structure and a well-drained soil, soil infiltration should increase. I might add that surface runoff should then decrease, and erosion as well." That has been the old theology. It was correct for many years. One must remember that this land has been drained, in many cases, for 100 years.

"On the other hand, land drainage is usually accompanied by a change in cropping practices. If continuous row cropping is practiced, we probably do not get and retain the improved soil structure that we desire. Similarly, with continuous cropping, the soil surface may be bare for long periods of the year. Thus, gains in infiltration may be limited to a relatively short period of the year, with high levels of runoff, poor quality of water for a relatively long period. This particularly explains why the ministry is now stressing crop rotation and the management of over-winter soil surface conditions."

There you have the change in theology. I am finally getting a convert, for which I am very grateful.

Mr. McKessock: Some time could you explain to us what the 14 new staff persons who have been hired as a conservation team do and what the programs are?

Hon. Mr. Timbrell: Is that the new theology? I do not know whether it is due to new bishops or whatever in the ministry.

Mr. McGuigan: It is the pawns I am worrying about.

Hon. Mr. Timbrell: The purpose of deploying this extra staff is to take this kind of message to more farmers on a one-to-one basis. While the new program has been reasonably successful and the take-up has been fairly satisfying, we are finding there is a great need for a little missionary work.

Mr. McKessock: What are they? Are they soil specialists, engineers?

Hon. Mr. Timbrell: Rob is not here. Dr. Rennie, do you want to come to the table and get into some of these questions?

Mr. Riddell: When Dr. Rennie responds, maybe he can also tell us what the farmers are expected to do with their hay crops. If these soil scientists are going to go around and tell farmers they have to get back to crop rotation and to working legumes into that rotation, maybe he could also tell us what market he has for the hay the farmers will harvest off that land.

The farmers would rush right into a crop rotation. They would be glad to get legumes worked back into the soil—and I am talking to them a lot about soil conservation too—but they say, “Jack, what do we do with the hay?”

Hon. Mr. Timbrell: We have someone else to deal with that question. We have been looking at a hay marketing study as well.

Mr. McGuigan: I sent you the blueprint for it.

Dr. Rennie: What the minister said about the 14 staff members is correct. They will be employed over the next four or five months. We are not bringing them all on stream immediately. We have already had 60 applications from these people. These will be soil scientists primarily, people who work in that area, not necessarily engineers.

We feel that what we need here are people who understand the soil and related crop production systems. They will be working primarily in the conservation authority areas, working hand-in-hand with the conservation authority. In a number of cases they will be joined by staff of a number of the CAs so they can concentrate on the targeted areas within each watershed where the problems are primarily.

Beginning by the summer of 1985 we will have 13 of our present staff who are working now in the soil conservation and management area plus 14 new people, and we estimate 12 from the conservation authority. That is nearly 50 advisory people who will be working with farmers on a one-to-one basis.

We feel that is pretty good. They will be working on tillage systems and probably on how to improve the compaction issue you just referred to, which has been brought about to a large extent not by the cropping system but by heavy machinery. That has to be brought out.

Mr. McGuigan: It is all part of the cropping practice.

Dr. Rennie: Yes, but at times they have gone to heavier equipment than was really necessary. That is essentially the problem.

For example, some of you are probably old enough to remember the days when we had contour farming and in some cases this may be coming back. We could show the farmer that is what should be done in a particular field. In those cases I do not see where it would necessarily mean loss of income. Of course, it depends again on the crops.

All the time we see it is a question of simple things such as the direction in which to till on fields of different contours, or planting across rather than up and down.

The other question you raised, Mr. Riddell, was about hay. Bill Doyle might like to comment on that. We have been working together on the business of hay because we realize that there are two components to it. One pertains to what, where and how best to grow it as part of the whole crop production system. Then there is the aspect of marketing.

Bill, would you mind just commenting on what our plans are from the standpoint of marketing?

Mr. Doyle: Mr. Chairman, when Clare Rennie's people identified this need for increased forage production as a soil conservation measure—the profitable utilization of forage is a challenge anywhere, particularly when there are limitations on some of the types of enterprises we can engage in because of marketing arrangements within the country.

We did a preliminary market study in the United States and identified the premium quality horse market, if I can put it that way, particularly in Florida, as the one that would merit most attention. Within the next month, we will be sending a Canadian consultant down to the United States. Indeed, we are using some of the money we received under the new export program for this.

It is not a large item at the moment. I think about \$1 million is the extent of it. Against the set of priorities as to where the most immediate prospects lie for exports, it might not bubble up to the top. However, because of these other considerations and the need to integrate our policies in the ministry, that is what we are doing. We should have the results fairly soon which will specify the locations and possible buyers.

We will also take an in-depth look at the transportation opportunities, such as backhaul by trucks coming up with produce from Florida, that type of thing. It is very much an integrated effort and we should have something going by spring.

Mr. McGuigan: I understand polo ponies are the biggest market. I always thought it was racehorses, but I am told the big numbers are on polo ponies.

Mr. Doyle: Who is big on polo ponies?

Mr. McGuigan: It is a big thing in Florida.

Mr. Doyle: I thought it was racehorses too, but you might be right.

Hon. Mr. Timbrell: We will find out.

Mr. McKessock: Maybe you should go back into that market.

4:50 p.m.

Mr. Doyle: It is certainly at the top end. It is at a premium, which is, of course, typical of most of our exports anyway; they are the high quality premium price. They are the ones we usually succeed with over the long term.

Mr. McGuigan: On that aspect of it, though, I drove a team of horses at one time and I had a riding horse. Grass hay seemed to be the preferred hay. How does that square with the ag man here? Do we sell them alfalfa hay for their horses?

Dr. Rennie: Not too much, I do not think, Mr. McGuigan, but some of it will go further south to the Florida market. There are a lot of good big dairy herds down there whose owners will buy Ontario alfalfa; also on the eastern seaboard, where you have a very restricted land base and yet some fairly large dairy operations. That is where some of your good alfalfa hays will go.

Mr. Riddell: How much of a dent will that make in our market if Ontario farmers in general became serious about soil conservation and indeed did go back to a crop rotation whereby they are going to have a legume crop once every four or five years? Can you foresee a market for all the hay that the farmers would produce, if indeed they saw they could make a profit out of their hay crop by working it into a rotation?

Mr. Doyle: This is what the study is for, to answer some of those questions to see the extent of the market and what the opportunity is. There may be an opportunity. It is like talking about growing increasing acreages of forage in northern Ontario. There is no question that you can do it, but when you put the whole package together does it make sense and is somebody going to invest money to do it?

What we are doing is, initially, costing us about \$30,000 to focus on what seems to be the immediate and best prospect. Then we will expand it, if it looks as if it is worthwhile, and come up with those answers.

Mr. McGuigan: You have money already in a hay compactor. How is that program coming?

Dr. Rennie: The first report hit my desk just this morning. I have not had time to look at it, and I have a meeting—I believe it is Thursday morning of this week—to review it with some of the people from the Ontario Centre for Farm Equipment and Food Processing Technology at Chatham.

That is part of the overall picture, too, because not all of these markets—according to the review of literature and the investigation our staff have done already, this is prior to the study that Bill refers to—want compacted hay. Then again how it is compacted and how it is tied are also factors in some markets.

Coming back to your question, Mr. Riddell, I do not think we necessarily need the legume in all aspects of our soil conservation program. I think a lot can be done with tillage methods and our planting and cropping system, but we may have to look beyond that.

There have been inquiries of the staff that have been looking at it. We have had a person on this part time over the last couple of years. There have been inquiries from other countries, and so there is a possibility of an export market; but, as Bill said, that is stage two.

We think the biggest market going at the moment is the United States and that is where we want to look first, then go from there. That is tied in with the hay-compactor concept, which might then get into larger international markets if it is economical.

Mr. McGuigan: I just wanted to point out, some of the people I know are planting clover, just for the sake of planting it down. They are starting to plant in other crops. They are selling wheat now and soybeans and so on, so some people are moving.

Dr. Rennie: In that connection, we have work that we support at the University of Guelph to determine the residual nitrogen effect of red clover on that basis, just using it as a soil conservation method, as improving the texture of the soil; at the same time, what is the residual nitrogen effect one year, two years, three years after, to see if just for that purpose alone it could be economical. I saw some of that work in August of this year and it looks very promising.

Mr. Swart: I am wondering if anything has been done to quantify these programs at all, given the tremendous problems that exist with soil erosion that have been documented in the last couple of years.

Given the factors that are really increasing—cash-cropping is increasing pretty dramatically, given the fact that there is more and more rental land being used—has the whole thing been quantified so we know the degree of the measures that need to be taken?

I know very well it varies greatly from one area to another. I am conscious of all that. Are we at the point where, because of the soil erosion problem, we are going to have to delegate the conservation authorities to do comprehensive reports on their areas with regard to soil erosion? We have done things like flood plain mapping. I am not suggesting that we get into those kinds of controversies, but what are the steps that are going to have to be taken, in addition to the ones being taken?

I am not so sure how you reverse this. As Jack says, how do you reverse the crop process, the crops that the farmers grow, and get on crop rotation if that is necessary, as was pointed out in the studies, especially with soil at risk? It is an economic problem perhaps more than anything else. If corn is the crop on which they are going to make the most—or lose the least, whichever way you want to put it—how are you going to reverse that?

I went back to those contour ploughing days. I was around back in the days when we had the crop rotation. It was accepted that a good farmer did this. You had crop rotation. Contour ploughing may be possible—far less tillage, and those sorts of things—but some of it is going to be pretty difficult to reverse.

What are we doing about looking at the problem and providing the remedies, or saying which remedies have to be provided?

Dr. Rennie: I think we are putting together a pretty good package now and with this change in the conservation program the minister made reference to earlier, we have three and one half years to go in that program. By putting these individuals in there now, I think in three and one half years you will see a very significant change. I am saying that because—

Mr. Swart: In which area? Are you talking about the tillage primarily?

Dr. Rennie: I am talking about the whole thing, Mr. Swart, because by having these new soil management or conservation specialists—whatever you want to call them, soil people, specialists—working with the conservation authority people, we will have teams in a lot of areas, in the watersheds.

In many cases we will have an agricultural engineer in there; we will have a crop specialist,

because we have those; we will have a soil scientist; and we will have a resource management specialist. That gives you a very good team to identify the real problem areas and which approach to take.

It could be that on a individual farm it is the physical thing that is needed to start with. Then it could be just a matter of a tillage change or a planting system change. In others, we may want to get into a crop rotation.

Crop rotations, back in the days we are talking about, were not so much of a problem because most farms had livestock of some kind. You do not have that today, so that is why, if you are going into a hay crop, as Mr. Riddell referred to, there has to be a market for it. But we do not want to start promoting that until we are sure there is a place that we can get rid of it; that would be absolutely wrong.

That is why we want to pinpoint the problems on individual farms, where there is a soil compaction problem, where there is an erosion problem. They will differ.

Mr. Swart: The two go together.

5 p.m.

Dr. Rennie: In some cases, that is right. So, by having that team approach, I do not think we need to go to the big, what you might call, watershed studies. I think we have had enough of those.

Now, with the one-on-one type of approach to assess the real problem areas and try to assess them on a priority basis, I am quite confident we will see a big change.

Mr. Swart: I am not nearly as confident on the economic aspect of it. I do not have any doubt you will be able to convince farmers erosion is a very serious problem on a relatively short-term basis and will cost them all kinds of money in loss of revenue from crops. If the economy is such they have to go on growing corn or soybeans or whatever it is, I am not at all sure it is going to be easy to provide the kind of changes necessary.

Mr. McGuigan: Some farmers out there are convinced right now.

Mr. Swart: Oh, I know they are. I know some of them who are convinced. It is not just a case of convincing them of what is right.

The Vice-Chairman: I think we should go on here with the spare bit of time. It is five o'clock.

Mr. McKessock: We are making hay.

The Vice-Chairman: We are making hay, that is right. I understood five o'clock was the time we wanted to go to today.

There are two questions I was supposed to ask. One is do you want to carry this over or carry on?

Mr. Swart: I think we ought to carry on and talk some more.

The Vice-Chairman: Fine. The second question is do we want to be back here at 9:30?

Mr. Swart: How many hours do we have? Does anyone have a record now?

The Vice-Chairman: There are approximately six and a half hours left.

Mr. Riddell: I think it was agreed last time we would have all the Wednesdays left, today and next Wednesday, starting at 9:30 and running through to five o'clock. That left us with half an hour. Maybe by that time we will not need the half hour.

The Vice-Chairman: So we will adjourn until 9:30 next Wednesday.

The committee adjourned at 5:02 p.m.

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Official Report of Debates

Legislative Assembly of Ontario



Standing Committee on General Government

Estimates, Ministry of Agriculture and Food

Fourth Session, 32nd Parliament

Wednesday, November 14, 1984

Morning Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, November 14, 1984

The committee met at 9:38 a.m. in committee room 1.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD (continued)

Mr. Chairman: It seems we have a representative from each party. It may be a good idea if we could get going this morning. The minister has been called to the Premier's office, so he will be a few minutes late. I presume Dr. Switzer, the deputy minister, can answer any pertinent technical questions.

How would you like to proceed? Do you have some questions, Mr. Riddell?

Mr. Riddell: I think Mr. Swart wanted to pursue the discussion we were having on tile drainage, if I am not mistaken, so I am prepared to defer to him.

Mr. Swart: That is right.

Mr. Chairman: Fine.

Dr. Switzer: That is fine with me, Mr. Chairman. I think we have the appropriate people who can answer any questions you might have in that area, Mr. Swart.

I do appreciate the chairman's view that perhaps we could limit the early questioning to things of a technical nature. The minister is coming later and I am sure he is in a far better position to answer any questions of a more philosophical or political nature than I am. We would be happy to deal with any questions of a technical nature.

Mr. Swart: Certainly most of the comments I want to make with regard to the Drainage Act are policy matters. Maybe we should move on to something else and when the minister comes we can discuss that.

Mr. Chairman, you talked to me yesterday about the possibility of adjourning earlier this afternoon. I have the opportunity of going to Guelph and I wonder if there has been agreement on that.

Mr. Chairman: I spoke to Mr. Riddell of the Liberal Party and I observed that he agreed with what I was trying to do, to finish at three o'clock. I also observed that Mr. McKessock was not quite as enthusiastic about it. Going to Guelph could work to the benefit of the members, to see

what is taking place in the Ontario Veterinary College. I think that tour is well worth while.

I would like to see us clean up by three o'clock if possible, with the understanding that the Ministry of Labour is ready to start next Wednesday. Talking with the House leader, that will give us three Wednesdays to clean up Labour estimates and have them completed just before we hope the House will adjourn, so I would really like to finish up Agriculture and Food estimates today.

Mr. Chairman: Mr. Riddell, did you have something you wanted to add?

On vote 2002, agricultural marketing and development program:

Mr. Riddell: We did not vote on 2002, but we finished all the items under it. If you want to start with vote 2003, anywhere you want to start—

Mr. Swart: The Drainage Act comes under vote 2002, so if we could defer passing that—

Mr. Chairman: Fine.

On vote 2003, agricultural technology and field services program; item 1, education, research and technical services:

Mr. Riddell: The one question I might ask on this is how is everything with the Ontario Veterinary College? It seems to me they have been short of funding to bring their facilities up to a passable standard. It looked as if they were going to lose their rating or accreditation or whatever you want to call it.

I wonder if the deputy minister could let us hear more about this when we take our tour later this afternoon, but meanwhile he could bring us up to date on how everything is on the OVC front.

Dr. Switzer: I will be glad to make a few comments; and Dr. Rennie, I am sure, can add to them.

I think you are all aware that the Ontario Veterinary College was put on a probationary kind of accreditation a couple of years ago by the committee that goes around and looks at all the veterinary colleges in the United States and Canada.

The reason it was put on probation was basically related to physical facilities. It was felt there was a need to upgrade and update some of

the physical facilities, and because of that it could not be given full accreditation.

I should make it clear, however, that as far as the university is concerned, this has no bearing at this instant on whether the college has the ability to train young people in veterinary medicine to the level of the degree. It simply means the accreditation committee is concerned that, if things continue in the trend they are now going, down the road a few years the college may lose the modern kinds of facilities needed to train veterinary students properly.

This has had no effect on the present student body. The intake of students remains high, interest remains high and, of course, steps are being taken to look into the possibility of additional funding at both the federal and the provincial levels.

I think Dr. Rennie, who was very much involved in the transfer of a cheque relating to that to a study not too many months ago, might wish to comment.

Dr. Rennie: Further to what the deputy has said, there was an agreement between the provincial government and the federal government to do a 50:50 cost-share to a total of \$500,000 for the planning of improved physical facilities on the main campus of the Ontario Veterinary College. All of that money has been made available. The university did proceed with the planning. They engaged an architect. The planning and design are pretty well completed and could go to tender fairly soon.

There are two parts to it, actually. One part, which is phase A, is new facilities, at an estimated total cost of \$10 million, to be shared 50:50 by the federal and Ontario governments. Phase B, which would follow after the completion of the new facilities, would be the renovation of the present facilities. The people will move out and into the new facilities and then they would renovate and update the old facilities, at an estimated cost of \$2.75 million, likewise to be cost-shared 50:50.

Before the federal election there was no commitment from the federal government on the capital aspects. The Ontario government did commit itself to its intent to fund the capital. There was a letter to the Ontario Federation of Agriculture prior the federal election, from the now Prime Minister of Canada, indicating the federal government's willingness to share in the major capital costs, so we anticipate that should be forthcoming in the not-too-distant future.

That is where we stand on the physical aspect of OVC.

Mr. Swart: I have a supplementary on that: I think I understand what the American Veterinary Medical Association did and why it did it. It is my understanding that they do this about every five years. Is that correct? It is possible to get that probation lifted prior to that five years if the facilities are upgraded in a satisfactory way. I would just ask two or three questions.

You mentioned the figure for the new facility. Was it \$10 million?

Dr. Rennie: That is correct.

Mr. Swart: The plans had been finished. I am not sure whether you said it had been tendered yet or not. Then you mentioned another \$2.5 million or something of that nature, for upgrading. The original plans, if I remember correctly, were for something like \$22 million. Is there another stage or has it been changed from the original proposals or downgraded?

Second, are there any plans to have this accreditation reconsidered at some point? I know that what you say about the education still going on is correct, but it certainly does something to the acceptance of the college internationally if it is on probation. It seems to me to be exceedingly desirable to get that lifted at the earliest possible time.

Dr. Rennie: To the couple of points you raised, on the major capital, the figure of \$10 million is correct. That is to be cost-shared, \$5 million from each government for new facilities. That has not been tendered because the university was waiting until it had final approval from the federal government that the money would be forthcoming.

Mr. Swart: That approval has not yet been given?

9:50 a.m.

Dr. Rennie: Not to my knowledge recently, no. I know the last time I discussed it with the president of the university he was going to be writing to the new federal Minister of Agriculture in that connection, but I have not heard.

Mr. Swart: Is it thought that this might be in danger because of the cutbacks, the restraint program? Have we any indication?

Dr. Switzer: Mr. Chairman, we have no indication at all one way or the other. The last I had heard was the same as Dr. Rennie has indicated, that the university was pursuing it with the federal government. I have had no indication one way or the other.

Dr. Rennie: Further to that, the second phase is estimated at \$2.75 million for the renovation. You referred to that \$12.75 million, then, in

total, as compared with the \$20 million at the university you talked about originally.

It was felt in discussing it with them—and by “we” I meant the Ministry of Agriculture and Food and the Ministry of Colleges and Universities; we met on a number of occasions with senior administrators from the university—that the \$12.75 million would address the immediate concerns that were the reason for the limited accreditation, that it would be best to proceed with these at this point and then, as those progressed, see where the next move would be.

It came at a rather interesting time, actually, in that the green light was finally given for the veterinary college in Prince Edward Island. With that proceeding now and with construction under way they wanted to assess it, and it will take a few years to assess—as it will take some time to get all the new facilities in place—what impact it has and whether or not the Ontario Veterinary College would have to go the next step with regard to additional facilities.

Mr. Swart: When we discussed this last year it was still the \$20-million or \$22-million figure, I believe, that we were discussing. Granted, it was in a renovation phase.

This cutback means what? If they do not proceed with the third stage, if I can call it that, does it mean they will be able to accept fewer students in the veterinary college? Does it mean there will be less quality in the equipment, that facilities will not be updated to the extent they would have been if they went ahead with the \$20 million? What does it mean?

Dr. Rennie: I do not think it should have any effect. Actually, \$12.75 million is the figure the university has agreed to proceed with in the two phases. It was not a case where the Ontario government said: “This is it. No more.” Looking at it realistically and everything, they felt this was the best way to proceed at this time, so the university fully agreed this was the best approach.

There could possibly be a reduction in the number of students accepted into the first year of the doctor-of-veterinary-medicine program, because on an agreement they have been accepting over the years approximately 20 students from the Maritimes. Once the Maritimes school is in place, they will not be accepting them, so we would expect there will be a drop in the enrolment.

In our assessment in conjunction with the veterinary college and the university it appears that possibly the 100 freshman students each year in the DVM program may very well be the right

number to meet the supply-and-demand situation for Ontario's needs plus our commitment to, say, federal programs. There is always a big demand for veterinarians to serve the federal government in the various services it has on a national basis and, naturally, because of the federal funding it is necessary that we consider that in looking at requirements. The OVC has been working with the Ontario Veterinary Association and the Canadian Veterinary Medical Association to get a good feel of the supply-demand situation on a long-term basis.

No, Mr. Swart, I do not think the present plan and the two phases in any way will mean a lower quality of education or less equipment. We think, and the university agrees, it should be a first-class facility, as always.

Mr. Swart: I hope so, because it has a good reputation.

When the expenditure of \$20 million or \$22 million was proposed previously—a year and a half, two or three years ago—at that time it was anticipated that the facility in the Maritimes would be coming on stream.

Was that not anticipated then? This is not a new development in the Maritimes, is it?

Dr. Rennie: No. It has been under discussion for a long time. I might ask Dr. Henry or Dr. Pettit exactly when the sod-turning ceremony took place; it was this year, actually.

Dr. Henry: March or April, I believe.

Dr. Rennie: Yes, it was early this year that it was finally decided and the federal commitment of dollars came on stream. Until that time there was still a lot of uncertainty.

I must say, Dr. Switzer—you were at the university at that time—the \$20 million to \$22 million was a bit of a ball-park figure in total.

Dr. Switzer: I would certainly hate to indicate in this group or anywhere else that the planning of the University of Guelph was not accurate right down to the nearest 50 cents, and I expect that figure was somewhat that way, but we also should keep in mind that the new facility which was originally planned—the \$22-million project you refer to, Mr. Swart—was not just for teaching.

The veterinary college, as I am sure you are all aware, is very much involved in research as well as in teaching. The original plan was set up in such a way that it not only would upgrade the facilities from the teaching point of view but would also make space available for additional research, additional service work and things of this kind. It was that kind of total picture.

If it is cut back, and if it is cut back eventually to the level Dr. Rennie mentioned, then it seems to me teaching would have to take priority, because that is the *raison d'être* of a university. That is the kind of thing I would think would be given top priority.

While I am speaking, I would like to comment on Mr. Swart's other question, which I believe was whether the university is planning to go back to the accreditation board before the five-year period is up. My answer would be that they would very much like to, but the practicality of the matter is that it is not very likely to happen.

I would not think there would be changes put in place that the accreditation board would be willing to accept prior to the next regular go-round. This thing is not moving quite as quickly as we had hoped, with the changes in the federal scene and things of this kind. I do not think it would be practicably possible for it to happen before that time.

Mr. McCabe reminds me that you asked whether we have had any commitments from the feds. As I indicated earlier, we certainly do not have any commitments, and I have no thought as to what may happen there, but our minister and Mr. Wise did meet shortly after Mr. Wise became Minister of Agriculture. The subject of the veterinary updating was discussed. Mr. Wise certainly seemed supportive of it, but obviously he also has people to talk to.

10 a.m.

Mr. Swart: Obviously the size of the facility is related to the projected demand for veterinarians and like people. I expect there is a growing demand for veterinarians. Is that correct or incorrect? Are there projections made anywhere in Canada or Ontario with regard to this?

Dr. Rennie: If I might, I would like to call on Dr. McDermid. You are very close to that. Would you comment on what the veterinary profession does with respect to planning of requirements for new graduates?

Dr. McDermid: Yes. The Canadian Veterinary Medical Association takes responsibility for checking on veterinary manpower needs. They have conducted surveys in recent years.

I would say new graduates are being absorbed. In other words, there are adequate job opportunities to look after graduates from the training system at veterinary schools. There is one in Quebec, the western college in Saskatoon, and the Ontario Veterinary College at Guelph, of course.

Mr. Swart: Is there an upward trend, and is the projection for an increased demand?

Dr. McDermid: I would think demand is fairly level at this point. With financial restraints being imposed both federally and provincially, we are not seeing an increase in the number of veterinarians employed by the governments. The federal government is a big employer. I think there are approximately 500, and maybe closer to 600, veterinarians in the federal service.

There has been an increasing number of people going into clinical practice. The demand for clinical services has been increasing. Overall, I would say we have a fairly level situation.

Mr. Swart: Thank you.

Dr. Rennie: Can I add one thing to Mr. Swart's question? You notice in the estimates there is \$1.8 million for veterinary clinical training, the program we put into place two years ago. That is continuing. Our evaluation shows the externship aspects—when they work with practising veterinarians as a part of their formal education—are being very well received by students. It is going extremely well.

Mr. Swart: If I might ask one further question? Is there no money in the current budget for the \$5 million, which is Ontario's share of the new facilities?

Dr. Rennie: Not in our budget. Funding comes from the Ministry of Colleges and Universities. It is not through the Ministry of Agriculture and Food.

Mr. Swart: Is there anything in that budget for it this year?

Dr. Rennie: The minister—

Mr. Swart: It does not look as if you are going to need it in this fiscal year, but is there anything there?

Dr. Rennie: I know the government of Ontario has made a commitment that the money is available.

Mr. Riddell: Mr. Chairman, perhaps we could have a general discussion on the colleges of agricultural technology. We do not get many complaints about lack of money at these colleges. Is the research being conducted adequate with the amount of funding available at present, or could these colleges use more money to carry out research?

Is the Ontario Hay Association satisfied that all is being done to research the production and marketing aspects of hay?

We had a brief discussion last time we were here. Prior to our discussion I received a letter from the Ontario Hay Association's president, and I quote:

"Further to our telephone conversation regarding Ontario's single largest crop, which is hay, I sent you a copy of *Soil Erosion: The Threat to Food Production*. This book documents the minimum estimate of costs affecting Ontario food production land. This estimate does not include health hazard costs from water polluted by chemical runoff, soil structure deterioration and reduced water-holding capacity. Otherwise, the cost would be much higher.

"According to the institute of agrologists and the institute of pedology, the minimum cost to the province and producers would represent in excess of \$200,000 per day. Ironically, this province does not have an active program running that would assist our hay association in participating in the types of markets of states like California, which is a hay-surplus state like Ontario is.

"US exports represent approximately \$100 million annually, while Ontario's single largest crop exports approximately \$7 million per year in hay exports. Numerous studies have been done through the programs for export market development and there are over 2,000 forage end-users documented in hay-deficient areas in the US alone.

"It would be advantageous for producers to have this association play an active role in developing these markets. Could you please assist us in prodding the proper authorities into responsibly assisting in developing this crop's export potential? By assisting farmers in being able to participate in these markets, you will not only help producers to maintain proper repair and care of the soil, but, in some cases, to stay financially stable."

I realize that one of the concerns here is marketing, but, if it would appear that farmers are going to get back into forage production for the sake of soil conservation, what research on the hay crop is being conducted at agricultural colleges?

Dr. Switzer: Mr. Riddell, if I may start, I will say a couple of things about research. Then I think it would be most expeditious to ask Dr. Rennie to comment on your question about research at the ag colleges.

I think it would also be useful if I could then ask Mr. Doyle to make a comment or two further to what was said last time about export market development. This is obviously an area in which we have an interest, as you do.

On the question of research, let me say a couple of things to set the stage. There is no question in the mind of anyone who is involved in

agriculture that research is an important component of the system we now have and of the system we hope to have in the future. We have a good system in Ontario now. It is a very efficient system, probably as good as any in the world, including some of the best states in the United States. The reason it is that way is because of the research that has been done over the last 25 or 40 years.

Research is expensive and budgets are restrained. On the other hand, one could argue—and one does argue always, as you folks argue too—that the returns from research are very good. These are not just returns that people dream up in the agricultural economics department at the University of Guelph. They are generally accepted returns from studies that have been done all over the world.

The kind of return you people are very familiar with, the figure that is often quoted, is that of \$40 for each dollar spent in agricultural research. One could say that is as good a return as you are likely to get in any kind of an investment. We in the ministry are very knowledgeable about the value of research. I do not think I need to justify that much further, particularly to you gentlemen.

Having said this as background, I think it might be appropriate, Mr. Riddell, to ask Dr. Rennie to speak specifically to your question which, as I understand it, is related to the research that goes on in the colleges of agricultural technology, as opposed to the program at the University of Guelph.

Mr. Riddell: In commenting, could Dr. Rennie mention whether much research is contracted out? I do not know whether that is done in the Ministry of Agriculture and Food.

I happened to ride back on a plane from northern Ontario with one of the leading researchers from the Ministry of Natural Resources, I think it was. He said he was not sure he would have a job when he got back because it appeared the government is doing away with its own staff and contracting out more of this work. I wonder if this is going on to any extent in the Ministry of Agriculture and Food.

10:10 a.m.

Dr. Rennie: I will make some introductory remarks on this. Mr. Chairman, with your permission, I would like to ask Dr. Collin, our executive director of education and research, and Dr. McLaughlin, director of our plant industry branch, to come up. Both might respond a little more specifically to some of Mr. Riddell's questions.

In the broad sense, we are contracting out more research than we did, say, 10 years ago. However, it is still a very small part of our total budget compared with that of the Ministry of Natural Resources. That ministry took the position it was going to change its entire system. I suppose it depends on how you look at it.

However, I think we have been very fortunate in that when the University of Guelph was formed, the whole \$17-million research program which is conducted there has now become a contract operation. The professional people and the support staff are not our employees. Of our total budget, I believe approximately 70 per cent—Dr. Collin can correct me if I am off on that—of our total research budget is for work outside the ministry.

Mr. Riddell: What per cent was that?

Dr. Rennie: It is 70 per cent. Is that correct, Dr. Collin?

Dr. Collin: Yes.

Dr. Rennie: The other 30 per cent covers the research costs at the Horticultural Research Institute of Ontario at Vineland, Simcoe and Bradford, and at our colleges of agricultural technology. In that sense, a lot of it is contracted out to the university.

Mr. McGuigan: It is still in the family, though.

Dr. Rennie: Yes, we like to think that and it is partly true. That is why I made my comments in that vein. When we had the Provincial lottery funds for five years, a fair amount of that was contracted out to other than ministry stations and the University of Guelph.

Regarding the red meat plan that we are working on at the present time, it is to be \$1 million of the total budget of \$62.5 million that has been allocated for research projects. We have had one meeting with the red meat planning and co-ordinating committee. We have reviewed some 25 project proposals that have come in to this point. I anticipate some of these will likely go out to the private sector. We think this is good to some degree.

Dr. Collin, would you like to comment on Mr. Riddell's question about being able to do more research? I know that is always a very leading question, but I will take my chances.

Dr. Collin: I could start it off a little bit by explaining that our agricultural colleges, as placed in the province, basically are committed about half to teaching and about half to research, development and demonstration.

Regarding funding specifically, looking at the progress over the last two to five years, I think the judgement is that we have put good resources into the colleges. The kind of examples I would give you are the development at the Winchester station, through Kemptville, to serve the developing need for specific cash crop research. Then there is the development of the Woodstock station to serve the regional needs.

Basically, this does reinforce a system of research whereby much of the detail of research, plant breeding and new variety development are done at the University of Guelph and at federal stations. There is a very effective system of doing the breeding research at the University of Guelph and then testing the regional adaptation throughout the province at New Liskeard, Kemptville, Centralia, Ridgetown and the new station in Woodstock.

There is a sense that there are significant new resources. As far as royalties coming out of new crops and new varieties released are concerned, they are shared between the University of Guelph and the colleges that support and fund this kind of research.

I might say research always looks for new opportunities. Right now we are discussing with Dr. Rennie's agricultural research institute the need for and general priorities to develop other research stations at places such as Centralia. I think you know some of the issues there.

There is the development of the new research station for horticulture at Cedar Springs. It also addresses the possible need, priority and emphasis for a research program at the new French college at Alfred. People have pointed out the need for, and staff have responded by developing some of the engineering, demonstration and technology transfers, such as issues of drainage and the effectiveness of tile drainage, in that area of eastern Ontario.

On the matter of contracting out research, if I could address it very quickly, Dr. Rennie has made the point that the University of Guelph does contract research. In addition to the Provincial lottery funds, we have also developed a special research project opportunity to encourage cost sharing with private industry, particularly commodity groups and commodity boards.

This is a new aspect of research funding, but it certainly is an effort to contract out. We have had very good support from hog producers and the Ontario Vegetable Growers' Marketing Board in confounding some of these particular projects.

Dr. Rennie, I would like to leave it at that and pass it to Dr. McLaughlin on the issue of forage testing.

Dr. McLaughlin: I would like to address two things. One is the research question and the other is the hay association.

With respect to research, I think George is correct in saying that a lot of the basic research on forage is done by the university. Relating that to hay, we should be talking about things such as trying to speed up the drying process, improving the quality parameters and breeding-in disease resistance—some of the more basic things.

The colleges of agricultural technology tend to get into the testing of the new varieties and demonstrating the capabilities of these varieties and some of the new technologies. That is an ongoing thing. All the colleges of agricultural technology have representation on the Ontario Forage Crop Committee and are participating in all of this variety of testing. The results that come from all those colleges are amalgamated in our publication 296, Field Crop Recommendations, where we make recommendations to growers.

It is an ongoing thing. By and large, when it comes to hay production, the technology is good, the knowledge among the farming community is good and there is a reasonably good level of background research going on continually to support it.

So as far as hay production is concerned, I think we are in pretty good shape. We could crank up a lot of hay in the province if we knew what the market situation was and what the market requirements are in the various localities. This is what is going on now. Mr. Doyle will probably want to comment on the market study.

As far as the hay association is concerned, Mr. Curtis and I have been trading letters back and forth for quite some time. The association applied to the ministry for support to be officially recognized as an association under the Agricultural Associations Act. There were some concerns about the constitution it had adopted, and it was asked to go back and make appropriate changes in its constitution to fit the act.

I understand it has attempted to do this, although Mr. Curtis still owes me a letter and copies of minutes that show that it has made the changes. The ball is more or less in his court, in spite of the fact that he might suggest otherwise.

10:20 a.m.

I have high hopes for the hay association from the standpoint that I think this group can contribute a lot to trying to get a little more orderly marketing in place. Right now growers really do not have any idea what a reasonable price for hay is, where the markets are, where

they can move this hay, how they can get it there and who the contacts are.

Buyers are the same, particularly return fruit truck drivers, those kinds of people. There is no central place for those people to contact to get a load to take back. From that standpoint there is not a whole lot of organization in the marketplace. I think our study is going to help us to get some semblance of an idea of how we can attack this thing.

From there I can see a real role the hay association can play, be it in running an information exchange or putting out newsletters trying to educate farmers, in conjunction with ourselves, not on how to produce quality hay but on what is required to grow the kinds of hay buyers require and get it into the right marketplace, and on the going prices for various types of hay. Right now, there is no incentive for a grower to put good management into producing hay of good quality because he is not being paid enough for it. Hay buyers and sellers are not terribly aware of what is happening at the marketplace. I think the hay association can play a big role.

One of the other things we have asked them to do is to beef up their membership of primary producers. They started out as a group of hay dealers, and all credit to Mr. Curtis who is walking a fine line, in that the hay dealers in the association feel that by getting in bed with the growers he is doing them a disservice. Growers distrust him right off the top, in that he is a hay dealer. He is doing some stickhandling too, and it is to his credit they have achieved as much as they have.

Right now we are waiting for them to come back to us with, we hope, some official recognition. Then we can officially go back to them. We are a little bit reserved in our approach to them because right now each of them, as a director of the association, is responsible for anything they undertake until the association is officially recognized under the act. As far as the hay association is concerned, I think we are very positive. It is just a matter of getting some homework done to get that association working.

Mr. G. I. Miller: I have a supplementary question. Have you been dealing with Mr. Doughty Williamson in regard to processing hay along the same lines?

Dr. McLaughlin: In the food land section?

Mr. G. I. Miller: Yes.

Dr. McLaughlin: Not directly, no.

Mr. G. I. Miller: I thought he had made application to the ministry and was interested in

developing markets. As you said, nobody knows too much about the markets, but I think every area in Ontario has hay buyers who know the markets. I am speaking now for Haldimand-Norfolk. I have contacts there who have been in the business for 35 to 40 years and they do know the markets and may want to expand. I believe the ones I am referring to want to process the hay in tubes, using new techniques. I am sure the ministry has to be aware of that.

Dr. McLaughlin: Yes, we are and I have been speaking to him. Maybe we need a little historical background here on hay dealers and hay marketing.

I do not think there is anything in Ontario to substantiate it, but Wisconsin did a study. They had a graduate student do a survey. The results of the thesis point out that 85 per cent of the hay sold for cash is sold between farmers. About 15 per cent of the hay traded is traded through dealers and about 85 per cent of that hay is traded through dealers within 50 miles of where it is grown. In other words, the hay does not move very much.

Your grower or your dealer is talking about offshore United Kingdom markets and a whole lot of things that traditionally he has no experience in and which we do not have experience in. A lot of the markets the marketing study is going to be addressing are out-of-province markets. By starting to get a handle on those, just by osmosis, growers and dealers locally will also get the feeling there is value to hay and there will be some rational marketing strategies developed for domestic hay as well.

You are right that we do not have a lot of expertise. We are aware of it. Every week we get calls from the Middle East asking, "Can you supply hay?" The problem is that none of the dealers we have is big enough to handle any one of those things. It tends to be risky when you are dealing in international business. I think a central agency such as the hay association could develop that kind of expertise and serve as the focal point for anybody wanting to trade in hay.

Mr. G. I. Miller: Are you giving that direction through the ministry? Is it taking some leadership on this?

Dr. McLaughlin: As I say, that is what we are hoping to do and to work very closely with the hay association. The problem right now is that we are waiting for them to get their constitutional house in order.

Dr. Switzer: It might be helpful here, Mr. Miller, both on your point and on Mr. Riddell's point, to invite Mr. Doyle to make a comment, because we are very conscious of the marketing

of hay. Mr. Doyle's people are looking at this as an export area. Would that be appropriate, Mr. Chairman?

Mr. Chairman: I am sure that is agreeable to the committee.

Mr. Doyle: Mr. Chairman, I have with me Grahame Richards, who is director of market development in the ministry.

Maybe a few figures might be illustrative in this respect. If you look at our total agriculture and food exports out of Ontario, they were \$1.6 billion at last count. Of that, \$1 billion is to the United States. In fact, agriculture and food exports are third after automobiles and auto parts.

Hay exports, which are exclusively to the United States, were \$1 million at last count. Our total export budget in the ministry is \$1 million; that includes staff who are specifically allocated to that. Of that \$1 million, approximately \$300,000 is the US part of it.

As the minister indicated earlier in the estimates discussion, we applied for approval of and additional funding for an increased export effort with particular reference to the United States. We got approval in principle, but we did not get all the money we asked for. We asked for \$1.5 million, and we got \$300,000 for this fiscal year, with the expectation, hope or whatever that we will get the rest of it next year. The \$1.5 million is to be used for some additional staffing of a commodity officer type here in Toronto and to have five of our representatives in Ontario government offices in the United States.

What I would like to indicate is that as an export opportunity, hay would not loom large on a list of priorities that the export guys would chalk up. In response to the matter brought up by Mr. Riddell at the last estimates discussion, there were discussions among Clare Rennie, myself, and a committee on which Robert McLaughlin and Grahame Richards serve. We took a look at it from more than the crop marketing point of view but also from the point of view Mr. Riddell pointed out, crop rotation. If we need to be growing more forage and therefore producing more hay as an objective separate from an ordinary trading commodity or product, for instance as a soil conservation measure, then it does assume a larger priority.

Out of the \$300,000 we have received through our increased effort in the United States, we have allocated \$20,000 or \$25,000 specifically towards a hay marketing study. Out of the committee on which both of these gentlemen and others in the ministry served came the recom-

mendation that we should have this market study focused on the United States.

I would ask Grahame Richards to say a few words about what we hope will come out of this market study and about its parameters.

Mr. Richards: I think we talked about this last time we were here. A preliminary assessment indicated the market is primarily in Florida and devoted to horses. The viability of the business appears to us initially, without doing an in-depth study, to depend on back-haul transportation, using trucks bringing fresh produce up here and deadheading back; it pays them to put something in the trailer. It appears the market there has been developed on the basis of very cheap freight rates back to Florida.

10:30 a.m.

I guess what we are trying to find out in this study, first of all, is how big that market is, because it has not been developed on a systematic basis. Second, we are trying to find out whether it is a sustainable thing or whether it is subject to the vagaries of these freight rates. If it is subject to those and truckers could find a better product to back-haul down, then it is risky to build a business on that basis. The business should stand on its own merits and should be sustainable over a long period of time. These are really the two major things we are trying to determine.

Mr. Riddell: I would like to see things stand on their own, be self-sustaining and self-supporting. When we see the situation in Ethiopia right now and see what caused the problem there and realize that the land is beyond any kind of productive capacity, we see that the same situation could happen here if we simply go ahead and do to the soils what we have been doing in the past.

Do you foresee the time when, if we cannot develop markets for the hay—and certainly farmers are not going to grow hay unless they have got a market for it—governments are maybe going to have to pay farmers to keep the land out of grain production and put it into forage production?

It really bothers me when we see the amount of soil erosion that is going on now in this country and then take a look at the situation in Ethiopia or North Africa for that matter. If we look at the whole situation throughout North Africa and the way the land has been allowed to deteriorate over the past many years, we have to wonder if we should not be doing something right away to prevent that type of thing from happening right here in Ontario. I am not convinced we are going

to find a market for this hay. Other than for horses, who is really using hay?

Unless we adopt the techniques the Australians use for the production of their red meat, where most of the meat that is consumed in that country is grass-fed, it is maybe a case of educating our own people here to consume more grass-fed or hay-fed cattle and less grain-fed cattle, then I just do not foresee the market that is going to utilize the amount of hay that should be produced in this province in order to retain our soil.

What are your comments on that? Do you think governments are going to have pay farmers to incorporate legumes into their crop rotation? Are you optimistic that we are going to—

Mr. Richards: Find huge markets?

Mr. Riddell: —find markets for hay?

Mr. Richards: Huge markets, no.

Mr. G. I. Miller: What about Ethiopia? We have those countries where there are droughts and starving animals. They need feed there to feed their animals, so is there a market there? Has that been looked at?

Mr. Richards: No. Most of the markets we have looked at are on the basis of ability to pay. As you say, the farmer wants to get paid for the product. When you get into subsidies you are talking about the Canadian International Development Agency and mostly federal aid programs. Although the province dialogues with those people, we do not really have similar programs devoted to aid.

When we are looking at a market, we are looking at markets with the ability to pay back to the ultimate producer and make it profitable for him to grow the crop.

Mr. Riddell: I am talking to the farmers in my area and, believe me, they are all getting very concerned about soil depletion and erosion and other things that are happening because we have got away from rotating crops. The amount of corn, for example, that went down this year in my county is just unbelievable. The corn was completely flattened. I guess there is a reason for it.

An amount of velvet leaf is starting to creep in too. I never had velvet leaf on my farm until last year and now it has started. When you take a look at other farms in the area or if you go down into the United States there is a lot of it. My God, they tell me that in the United States when you are driving by some of these farms you would almost think the farmers had grown a crop of velvet leaf.

These pests are starting to creep in now, which would indicate to me that we are heading for some troubles because we have not paid attention to soil conservation and used the right cropping techniques and what have you. I am really concerned about it. I feel we have to put far more emphasis on soil conservation in this country than we have in the past. That is just a comment. I think Mr. McGuigan said he wanted to speak about that.

Mr. McGuigan: I certainly support my colleague on soil conservation. When we see these things on television about Ethiopia, the first wave of sentiment is to help them, raise money and so on. Now some of the serious people are starting to point out the size of the problem and are saying that helping these people for the next few months is not going to help them at all. We have to look at feeding them for 50 years or more while we give that land a chance to recoup and redevelop.

Those are warnings that have been made to us over the years. All sorts of people have been telling us about it. We had to wait until it actually happened before we started to move, and when we realized it, it was too late.

Getting back to the matter of marketing hay, I want to look at why we have been so successful in marketing hogs. We keep raising about five per cent more hogs each year to the point where the Americans are getting damned concerned about it and are trying to stop us. They are not going to stop us because, if they are going to stop us from sending hogs, we are going to stop them from sending automobiles or something else over here.

We have been successful in producing hogs because of our marketing plans and our quality control. We have the best quality food in the world, whether it is grains, animals or whatever. That is because Canada and Ontario have adopted some pretty bold plans—restrictions, you might say, on free enterprise. We have forced ourselves to produce the very best.

Maybe it is an act of faith, but I think if we showed a bit of faith, we could say to buyers from any place in the world, "If you buy No. 1 or No. 2 or No. 3 hay here, you know when you get that hay back home you are going to have the quality you paid for." They know that is so with our hogs and everything else we produce.

The minister was telling us about the great opportunities we have of jumping over the neighbouring states and going down to the south with a lot of specialty crops. We would not be going down there with grain or cattle, but we

might be going with smoked meats or various fruits and vegetables or some of the ethnic type things we are so good at. If we could do the same with hay, I have faith that there are people there who would buy it.

I have had some experience myself as a shipper of fruits and vegetables to both east and west in Canada. The thing you always get hit with is transportation costs and back-haul. What can you back-haul to help offset those prices?

I used to ship apples to Winnipeg. Of course, I looked for grain. What else was there to bring back from the west? At that time the wheat board would not sell you any grain. It was against the law. You could not load it on your truck even if they decided to sell it to you, because the terminals there had no way of loading a truck. They could load a railroad car but they could not load a truck. It was against the law actually to sell the grain to a private individual to come back here.

I used to ship summer fruits into eastern Ontario. What could I bring back? I tried bringing back hay at one time. How do you make a contact with a man where you could say, "Tomorrow I want a load of hay and I want a load of number A-1 or A-2," or whatever grade there was, knowing that when I get it home, I would actually have that hay—that if I break the bales open, it is not all mouldy, or last year's hay or three years old, or it is grass hay when I ordered alfalfa or it is alfalfa when I ordered grass?

10:40 a.m.

I tried it two or three times and I came to the conclusion it was not worth the bother. We would send the truck home empty. I wanted the hay. I was feeding cattle and I was looking for something to draw back. Eighty-five per cent of the transportation north and south in the fruit and vegetable trade is by trucks, not railway cars. Because of the flexibility of trucks, the percentage is not decreasing and those trucks are looking for back-hauls.

There may be times when you can say the trade depends on the back-haul. If you get a bus to Ottawa, that bus cannot run to Ottawa on a one-way trip. It has to bring people back as well. If you take a train to the west, it has to come back. Somebody has to pay for bringing it back, whether it is a freight or a passenger car. All transportation depends on back-hauling. There are instances when cars or trucks return empty, but we do everything in the world we can to avoid empty back-hauling.

I feel as a matter of faith there are a lot of people in the United States who could say: "Go to

Ontario and bring me a load of A-2 hay. I do not have to look at it when it gets back here. I know I will be getting A-2 hay." You would find there are a lot of potential markets out there.

We could look at tobacco. Ontario is one of the most expensive places to produce tobacco in the world because of our labour costs. You might ask: "Why do we produce tobacco in Ontario and sell it overseas? We are paying \$7 and \$8 an hour to people working in tobacco while there are people in this world willing to work for 50 cents."

We can sell tobacco because we have grading. They know when they buy a bale of tobacco—I cannot name the grades any more—of a certain grade, when they get it to the other side of the world, that is what they have. The minister knows that.

If we had some of the boldness that is required—I am thinking of the days when we brought in the Milk Act. It was not brought about by a great wave of public support. I was also thinking about the minister when we brought in protection for beef cattle. There was not a great wave of people in Queen's Park asking for protection for beef cattle.

Hon. Mr. Timbrell: You noticed that, did you?

Mr. McGuigan: I do not like to compliment you, but every once in a while I have to.

Hon. Mr. Timbrell: Do not feel constrained. Let it all hang out.

Mr. McGuigan: Every once in a while, I have to. That is the kind of bold action we need.

Hon. Mr. Timbrell: On the hay, Dr. McLaughlin maybe has some comments he might contribute on the quality question.

Dr. McLaughlin: There are some things peripheral to the hay marketing study. The marketing study is targeted specifically to the southeast United States. That will, in general terms, help us identify markets we can move hay into in a reasonably orderly fashion. We can use that to strengthen the hay association and our efforts here. At the same time we hope to develop the expertise of the dealers involved.

At the same time, there are offshore markets in the Orient and in the Middle East. They are not large. Some of them are fairly large but they are hard to get into. What we are trying to do is develop expertise locally so those people can start to work in some of these international markets.

A fellow in Haldimand-Norfolk is thinking about cubing it, treating it, putting it in plastic

bags and shipping it at high moisture content to the United Kingdom, a very specific market. Again, it is a compacting and treating situation.

At the Ontario Centre for Farm Equipment and Food Processing Technology in Chatham they are working on a hay compactor. Transportation costs are high and compacting two bales into one can cut transportation costs in half.

Moving into the international market is a question of back-haul. You can send hay back in containers, but you have to use containers that are bringing in imports of greater value. Once you crank it up to the point where there is more hay than there are containers or fruit trolleys going home, then you become the front haul and that is when it gets very costly. That is part of what the marketing study is about, how big and how much do we crank it up.

As far as quality is concerned, it is very true that hay has traditionally been traded by colour and smell and by the bale rather than by weight and chemical quality parameters and/or even some other subjective things that are of value. Mustiness and mould, for instance, are big problems when you are selling hay for horses, and that is a legitimate selection criterion. By and large, both buyers and sellers are not very aware of quality parameters, protein particularly, digestibility, level of intake, palatability and that kind of thing.

For several years, the National Hay Association and the American Forage and Grassland Council in the United States have been battling among themselves to try and come up with an appropriate grading system for hay, primarily good quality alfalfa hay that would get into the Florida horse market. Of course, the dealers have tended to resist it to some extent because that is where they make their money. They can pay a buck a bale, then get it down there and start to charge based on quality. They are afraid of growers being aware of quality parameters, because they are going to demand that kind of money for good quality hay.

Finally, last year, they agreed to agree and have put in place a trial testing program for alfalfa hay based on a number of chemical quality parameters and some subjective parameters. The purpose is to do just as you say. When you contract at arm's length to buy hay, what shows up is what you contracted to buy. There are numbers, determined by a lab, that suggest 17 per cent protein and so on, and they are establishing a voluntary lab accreditation program.

There are Canadian hay dealers and, of course, there are Canadian members of the National Hay Association. I can see us getting involved so we can get in on the hay grading system when we are buying and selling, particularly selling at long distance. These people have come to a reasonable agreement that this is probably a workable arrangement.

As far as the United States Department of Agriculture and Agriculture Canada are concerned, they are both very aware of it. Neither one of them is prepared to change its hay grades right now. The Canadian hay grading system has about 75 different grades of hay, which is useless. Nobody knows what they mean, but they are still used because foreign governments say they are going to contract to buy such and such a grade of hay.

Agriculture Canada sends an inspector, who grades it and it goes out with that grade. As far as day-to-day routine trading of hay is concerned, grades do not mean anything, but that is the buyer's only way of ensuring the kind of quality he is getting, because the system is not very good right now. I hope the voluntary system coming in place will help.

I would also like to comment on the suggestion that hay is the only answer to soil conservation. Hay is a very small part of soil conservation. I do not think there are the markets to solve our hay problem, but I think there are enough markets to entice a lot of people into growing more cash hay. Right now, the cash hay on the market tends to be surplus hay on livestock farms that utilize forage. With a little education, those guys have everything at hand to provide a sustainable system. They have manure, they have forage and they have livestock.

As far as the cash hay system is concerned, I think we can entice some people into that as well but, by and large, we will be looking at things like red clover, under cereals, and rotation of less damaging crops than, say, corn or beans. There are farmers in Huron county right now who will stand up and say, "Economically, it is paying me to reduce my tillage, to rotate and do some other things that some other people are suggesting are not for them."

10:50 a.m.

I think that is right. The soil conservation package on any farm is the one that is for that farm. It is not a universally applied thing. I do not see us getting to the point in the near future of legislating forage on to farms. On some farms it is not economically viable and not the practical answer. The answer is probably something more

cheaply incorporated into the current management and cropping system.

Cash hay is part of a bigger package. We all have a gut feeling that in spite of the fact there is only \$1 million coming in from export sales of hay, there could be a lot more. Every little bit helps here and there.

We are going to be nickeling and diming at this soil conservation problem. We are going to be tailoring to individual farm operators, farm manager styles, soil types and farm locations. No two farms are going to tackle the problem in the same way. I do not think we can legislate it. The minute we do, we trade all our advisory staff in on inspectors to go out and enforce it. I do not see us doing that either.

I can see cash hay as having a very valuable role to play, but I do not see it as being the only role for farmers.

Mr. Riddell: Is any research being done on fattening cattle predominantly on a forage ration, whether it be developing a type of hay that has a higher TDN content or developing a type of cattle that will fatten and still produce a consumable product?

I have been away from the cattle business by virtue of the fact that I have come into this business, but I still keep some horses at home. I can keep those horses fat by giving them predominantly hay with about one scoop of grain a day. Why can we not do the same thing with cattle and fatten them on forage with a minimum amount of grain? Is it a case where we cannot put a palatable product on the market? Apparently, Australia is doing it. They tell me that most of the meat consumed in that country is from grass-fed or hay-fed cattle.

Are we doing any research in the feedlots? All these farmers have very sophisticated feedlots with big silos, pushbutton feeding mechanisms and what have you, and I am sure they want to stay in the cattle business, but that is difficult with the price they often have to pay for corn; if corn ever does get to be \$5 a bushel, they will figure it is too expensive to put through grain.

Furthermore, going back to my days in Guelph, we were always told that beef cattle are the least efficient converters of feed of any animal; it takes about eight pounds of grain to put on a pound of meat. Maybe we are going to have to get away from grain feeding the cattle, if indeed the day is ever going to come when we are going to have to rely on grain going directly into human consumption and bypassing the beef animal.

What kind of research is being done, or can we expect the day to come when we will be seeing more forage-consuming animals going on the market rather than so many grain-fed cattle?

Dr. McLaughlin: When you are feeding cattle in Ontario, you have to have a stored feed system and a pasture system if you are going to put them on forages.

Traditionally, corn silage has been used in stored feed systems in southern Ontario. At Kapuskasing, where the federal Department of Agriculture has a research station, they have done some extremely valuable work on stored grass silage with formic acid. They are having a lot of success with cattle up there, and they have established some demonstration farms in that area; we have a lot to learn from that method. It is spreading as far as the stored feed system is concerned.

As far as pastures are concerned, Dr. Rennie is the most appropriate fellow to answer that, because under the red meat program there has been renewed interest in pasture research and pasture management on the basis of the economics involved; it is more economical than the feedlot system.

Mr. G. I. Miller: There are a lot of cattle being fed right now using round bales combining hay and grain feed.

One question I would like to ask is, are you doing any research on high-moisture packaging in plastic bags? Mr. Williamson was interested in that; he felt we had a market and excellent quality.

To get quality hay, you have to have good weather conditions. That is the ruling factor. If you get good weather, you can make good hay. If you do not, of course, you are fighting that element. That is one reason why we have gone to the silos and put hay and green cuts into the silos; the weather does not affect them.

Are you doing any research?. I feel that if you put hay into plastic bags, as he is suggesting, you can compete with the weather and provide quality.

The other thing is that you have to have good storage facilities, and hay takes a lot of storage. The round bales are an excellent way of handling it and controlling it too, but often a lot of it is sitting outside and you do not have any place to store it. Rain does not damage it a lot, but it does go in two or three inches, and there is considerable waste.

One reason we brought in our bill calling for eight per cent interest on money is the fact that we have high costs in farming and low return. In

order to provide high quality, you have to have good storage facilities and the tools to work with, which really create the jobs but with low return.

Again, the question was, are you doing research in packaging hay so that you can control the quality? This is really the area the producers would like to zero in on. I think they can assist in marketing, because the ministry does have that expertise. If you can get some assistance from the ministry, I think it has the expertise to market.

Dr. McLaughlin: Specifically concerning the packaging type you are talking about, it is a 50-plus per cent moisture package when they are done. The people in Britain are prepared to pay for a lot of water and to transport a lot of water to Britain from here. The weight of that particular package of hay would make it impractical for storage in conventional Ontario barns because they would collapse. The thing is very heavy. It is a very specialized market they are addressing.

Mr. G. I. Miller: Just put them on the ground. You do not need to put them up. The clay will hold it up.

Dr. McLaughlin: Understood.

The research that is currently going on concerning speeding up hay drying relates to some work that originated in Australia whereby they spray potassium on the hay as it is being cut, and it has tended to reduce the drying time by at least half. By doing that, if you have any kind of weather at all you do not leave the hay to sit for three or four days to dry down to baling moisture; you are out there a day or two later. Some of this is being researched at crop science at Guelph right now.

Mr. G. I. Miller: What about Chatham?

Dr. McLaughlin: Are you talking about Chatham or about Ridgetown college? The tech centre at Chatham is looking at a bale compactor. Basically it is a machine that would go out to a grower's barn and convert the 40- or 50-pound bales that are in his mow already dried.

Mr. G. I. Miller: They used to make those with wire-tied bales, and recycling is coming back again.

Dr. McLaughlin: But the tech centre is working on it. There are several of them around that are homemade, but they are very labour intensive. They are wire-tied, but they are tied by hand. You have to feed the bales in by hand and lug them off by hand, and it is a very slow process. Turnaround time is slow and the labour cost is high, so what you save in transportation you spend on labour.

Mr. G. I. Miller: It used to be cheaper when we were kids. That was one of the main jobs we did in wintertime. We would crank out 25, 30, 40 tons a day. But I am getting off the subject.

Mr. Swart: Mr. Chairman, most of my questions have been answered through queries from other members, but I do want to explore a little further this question of the transportation of hay.

It is fairly obvious that there are limits to how far you can transport hay and be competitive in the market when you get there. Is this not the real limitation? I know we talked about the back-haul, but after you back-haul for a while and you have loads going each way, there is the tendency to even up the rates. I think that is generally true.

11 a.m.

What are the limitations on hauling? I know you have a study going on the whole thing, but you should be able to give us, I presume, some general indication. We know with the volume of hay, even when it is compacted, and the price, that the total value of a load of hay, generally speaking, going back to Florida would only be a fraction of the value of a load coming up. So there are some very real limitations in this, which would be obvious even now.

Dr. McLaughlin: I cannot quote the real cost of transportation for a load of hay down to Florida. A noncompacted load in a 40-foot semi would weigh about nine tons and a compacted load would be 18. To Miami, it costs about \$1,200 on a back haul. So for a noncompacted load the transportation costs are probably half as much again as the value of the hay. For a compacted load, the hay is worth more than the transportation costs. I cannot tell you the true cost of getting it there.

As far as containerization is concerned in off-shore markets, once you get it into the container, it is relatively cheap to get it there. I cannot tell you the true cost of containerization. That is what the study will be looking at.

Mr. Swart: Minister—

Hon. Mr. Timbrell: Mr. Doyle wanted to add something.

Mr. G. I. Miller: There is one other thing I would like to ask in regard to hay and alfalfa seed. In Ontario, we cannot grow alfalfa seed any more. We used to be able to grow it. Why can we not and is there any research being done to correct that?

Dr. McLaughlin: All kinds of research is being done. It is very hard to say, but we have knocked out fence rows, we are using a lot more

pesticides, and even honeybees are not particularly keen on alfalfa in Ontario.

When a bee visits an alfalfa flower, it splits the keel to get at the nectar. As soon as the keel is split, the stamen flips out and pollen is flipped everywhere. In Ontario, we tend to have the kind of climate where the plants are turgid most of the year. We do not get them like you can in California, where if you cut off the water they wilt a little bit.

In Ontario they are fairly turgid all the time. So when the bee visits the plant, this thing comes and slaps the heck out of the bee. It is not very long before the bee decides that alfalfa is not where it is at. They can manage the bees in California to do that.

Apiarists in Ontario are also not particularly keen on having their hives beaten up by alfalfa because they are interested in the honey. Leaf-cutter bees are the bees used in western Canada to produce alfalfa seed. They do not survive particularly well here, but there is quite a bit of research going on at Guelph, Ridgetown and New Liskeard on the use of leaf-cutter bees to produce alfalfa seed.

Maybe if we get down on to some Norfolk sand where you can wilt the plant, you can make a honeybee work, but I do not believe that where you have lots of moisture, you are going to get a very effective honeybee job done.

Mr. Riddell: Is there any research being done with developing a bee with protective armour?

Dr. McLaughlin: Interestingly enough, the California apiarists are in the pollination business, not in the honey business. There are so many different crops down there that need pollinating at different times of the year, it keeps them busy all through the year.

When they manage their beehives for alfalfa, they have a very strong hive and a very young hive, lots of brood. You have young bees coming along all the time and a young bee is a dumb bee so that is the way they manage the bees.

As I say, our apiarists are not about to have their hives beaten up.

Mr. G. I. Miller: Are you doing experimentation?

Dr. McLaughlin: For some time there has been quite a bit of work, and there still is a lot of work, looking at trying to get the pollination problem sorted out. They have looked at varieties from a nectar production standpoint, varieties from this tripping action standpoint, some of the management practices associated with that, and various types of bees.

Yes, there is a lot going on because it is just another opportunity we have to put forage crops in a cash crop situation. Hay as a cash crop requires a guy to have a lot of equipment specific to hay production, storage and a lot of labour. A lot of these guys are not prepared to go back to that kind of thing. They like sitting in their tractors and combines.

With alfalfa as a seed crop or red clover as a seed crop, they can continue to use their grain-type equipment.

Mr. G. I. Miller: Since we are looking for ways to employ our youth, it seems to me that if there were a little incentive to hire those people, and there are not many programs directed towards that, it would be another way to increase employment.

We have the ideal site; South Cayuga is heavy clay land, and you could do a lot of experimenting there. I do not know whether the bees have softened up, but we had no problem growing seed before the alfalfa weevil came in. We could always depend on a cash crop by leaving some first-cut alfalfa and get an excellent crop of seed.

It has been 15 years since that was possible. There has to be a way of getting around it, I would think; I do not know. Things cannot have changed that much in 15 years that we cannot overcome that.

Dr. McLaughlin: I am sceptical of the weevil being the problem down there on the Haldimand plain. Unless you have good drainage in place, alfalfa will not survive very long as a seed-producing field.

Mr. G. I. Miller: I understand that.

Dr. McLaughlin: You commented about the unemployed. There have been lots of things tried to try to get alfalfa crossed; the use of helicopters, for instance. Since it is a cross-pollinated species, just tripping the flowers will not do anything but self-pollinate; you have to move pollen from one plant to another. At crop science at the university, they have students employed all winter making crosses using toothpicks. I tell you, to put your mind in neutral and think like a bee and flit around is tough sledding.

Mr. G. I. Miller: Does it work?

Dr. McLaughlin: Yes. But on a field scale, it is not practical.

Hon. Mr. Timbrell: Are you not glad you asked that?

Dr. Collin might want to comment on the project at New Liskeard College of Agricultural Technology involving leaf-cutter bees.

Dr. Collin: In the past year the field crops people, the principal and local farmers have developed a leaf-cutter bee program to introduce some of the sturdier breeds from Alberta. I guess that is the way to approach it. They bought and imported leaf-cutter bees from some of the better suppliers of Alberta and introduced these bees into the local New Liskeard area specifically for alfalfa seed production.

It is a little early to say, but overwintering is the issue. Whether or not the beekeepers have to replenish on an annual basis remains to be the question. It is a good program, and we are basically just a year into it now.

Hon. Mr. Timbrell: Mr. Doyle, did you want to add something on the marketing situation?

Mr. Doyle: Yes, I did, Minister. I am afraid this is going to be moving from the sublime of the wonders of bees to the ordinary of what goes on the marketplace.

Mr. Riddell asked those of us at this table a question which, with respect, was more in the nature of a question that the minister should answer. He asked whether, since there is a need to conserve our soil and if the marketplace cannot deliver the right sort of price, the government should not be doing some things. I am sure you will respond to that, Minister.

However, there was one point Mr. Riddell mentioned which I would like to address; specifically, it is the matter of subsidization of exports. This is a very big issue currently and is under discussion between the Canadian government and the European Economic Community specifically as well as between the Americans and the EEC on agricultural trade. The general push and the policy intent of both those governments is to stop the Europeans from doing exactly that—subsidizing exports. I think I gave some examples where we are on the receiving end here of some subsidized products coming out of Europe.

11:10 a.m.

On a policy basis, no, I do not think it would be a good idea to get into specific, direct subsidization of exports of any sort. If your question intended to mean other incentives, I think some of our existing programs in Clare Rennie's area deal with that particular part of it. Since the minister was not here when that part of your question was asked, I want to deal with it.

Hon. Mr. Timbrell: The only commodity we have ever subsidized on export is tobacco. We provided a form of export incentive or subsidy,

whatever you want to call it, on a declining basis over three years.

That was brought on by the emergency situation in which we found ourselves in the spring of this year. By offering that really very small amount of incentive, combined with our visit to the United Kingdom, meeting with the tobacco advisory council and presidents of all the major buying firms there, our customers, we got the poundage up by 25 million or 30 million pounds this year.

That is the only instance I can think of where we have ever directly financially assisted in the export of any commodity and it has been clearly spelled out to the industry that it is so much this year, it will be two thirds of that amount next year, one third of that amount the third year, and then out. This government should not, in my view, be in the business of subsidizing.

Mr. McGuigan: I think what my colleague was suggesting was not a form of export subsidy to grow a hay crop or an alfalfa crop or whatever for soil conservation. We are both on the same wavelength here. What we have in mind is a subsidization such as is now done in drainage, where you give the subsidy to the interest charge. That is an incentive to people to drain their soil, on which we both agree, in spite of your efforts sometimes to make out we have two different policies.

Hon. Mr. Timbrell: On what? Which one?

Mr. McGuigan: I remember in one of your interviews you said the agricultural critic has one policy and the one from Grey had another policy and the one from Kent had another policy.

Hon. Mr. Timbrell: What was the subject?

Mr. McGuigan: It was an interview you gave. I think the London Free Press did an interview with you a couple of years ago.

Hon. Mr. Timbrell: On tile drainage?

Mr. McGuigan: The point is there are other ways of assisting with soil conservation. We are suggesting we extend those we already have been draining, and you would encourage people by the carrot system to change their rotations.

It is not too many years ago we had people in Guelph—and I criticized them at the time too, not just now—going around saying it was almost unpatriotic to grow barley or oats or hay. The only thing to grow was corn.

Mr. Riddell: Do you remember the infamous George Jones?

Mr. McGuigan: It was a religion to do away with these other crops and grow corn. I spoke out

about it at the time and now we can see the results of some of that.

What we are talking about is not that hay is the be-all and end-all that is going to correct all the troubles but, if we indicate to people it is not a sin to grow hay, we might make one small step back towards getting a more balanced crop system here in Ontario.

Hon. Mr. Timbrell: How would you do that? I am not clear on what you are proposing.

Mr. McGuigan: There are any number of things you could do. You could make a direct payment to a person who grew a crop of hay and ploughed it down. There are people who are doing it now without any incentive.

At the weekend I was on a farm of a man who had a drainage problem. We were talking over his crop program.

I asked, "Do you grow any clover?" He said: "Yes, once in six years I plough down clover. My dad did it once in three years. I am doing it once in six years."

I asked, "What kind of a crop do you get the next two years after you plough that clover down?" He said, "A fantastic crop."

He is doing it without any incentive, but he is one of those progressive fellows who sees the benefits. We need to encourage more people to do that.

There is a group of people in Huron county who have established a soil conservation club and they are doing it on their own. There is also a group on Rondeau shores doing it.

Hon. Mr. Timbrell: Not entirely on its own, if it is the group I am thinking of.

Mr. McGuigan: You gave them \$10,000. They need \$1.5 million and you have given them \$10,000. Those are the things we are talking about. We have to take some small steps, cumulative steps, to encourage people to do what most progressive farmers already know needs to be done.

We started talking about research and led around to the hay and so on. One of the things they are doing at Ridgeway is an experiment to see how much corn they can crank out of the soil and they are doing this with various methods. I think their record now stands at 255 bushels to the acre.

There was an experiment years and years ago down in one of the southern states. I remember a young farmer, he was just a kid in his teens, a fellow named Lamar Ratliffe. Do you remember that name? He grew 305 bushels of corn to the acre 25 years ago.

One of the reasons why he was able to do that, they said, was because he was downwind of one of those coal-burning plants and his crop was picking up more carbon dioxide from the air than the crop of a person who was using fantastic amounts of manure to supply carbon dioxide.

When you look at how you are going to increase the yield of a crop, you are limited by the amount of rain unless you are going to use irrigation and they do not use irrigation at Ridgetown. You are limited by the photosynthesis, by the amount of sunlight and by the amount of carbon dioxide in the air. When you are not downwind of the burning of the fossil fuels, it is about 0.003 per cent.

Dr. Switzer: It is 0.03 per cent.

Mr. McGuigan: I thought it was three one-thousandths.

Dr. Switzer: You are talking percent, 0.03 per cent is three one-thousandths.

Mr. McGuigan: Anyway, the only things that differ are the temperatures, and you cannot do much about that, and the seed. We are limited by the seed the different companies turn out. The only thing you can really vary is the soil. A lot of people do not think about that as a variable. It seems to me we are putting emphasis on finding a way of cranking more grain out of that acre of soil, whereas it is painfully clear that we have to put at least some of the emphasis on the sustainable agriculture.

How are you going to do that? Number one, it has to be economical; number two, it has to be sustainable.

I just question the value of putting a lot of money into trying to grow 300 bushels of corn to the acre. I suppose there is some value in finding out the limits. They say the theoretical limit is 600.

Are we not repeating what was done in the United States years and years ago? When we talk about all the research we are going to do on soil erosion, are we not duplicating? This information is already set out in the textbooks. It will tell you how many pounds of nitrogen a crop of alfalfa returns to the soil and it will tell you how much organic matter it returns to the soil.

I am afraid we are in the same business Mr. Reagan is in in the United States with acid rain. He wants to research it for another 20, 30, 40 or 50 years before he does anything about it. The real problem is right out there in front of us now, in getting a sustainable, economical agricultural system. We know scads and scads about it instead of having to research it.

Hon. Mr. Timbrell: Dr. Collin could perhaps comment on that because he is familiar with the project.

11:20 a.m.

Dr. Collin: It seems to me you are talking about two things here; one is the issue of maximum yield experiments, on which I would like to express a couple of points; the other issue is the sustainability of the soil under heavy cropping.

About the maximum yield: every once in a while in research—agronomic crops, horticulture crops—you have to step back and ask about the new limitations on yield. It could be population. As you well know, if you bring in a new tomato variety for processing, suddenly there are all kinds of new parameters. It could be a crop that is no longer big-rangey, that ripens over the period of a month; you may have a very small, compact plant that ripens its fruit in a matter of a couple of weeks or maybe a week.

Suddenly you have other parameters. You have different kinds of machinery. You do have new genetic breakthroughs. You have new ways of controlling disease and insects and a hardier plant population. It goes sort of on a cycle, and having been in research for about 25 years, I think I have seen two of these cycles, whereby basically the scientist has to say: "Well, suddenly we have all these new components put into the picture of crop production and we need to sit back and see the limitations. Maybe we have to change our architecture, our whole system of farming this particular crop."

I think this is basically what you have seen, in some corn grain production. I think you have seen it in apple production. Surely you have seen it in tomatoes.

Mr. McGuigan: Do we need it at Ridgetown? It really is an applied science university. We are not talking about Beltsville, Maryland, or the Central Experimental Farm at Ottawa, where they do that sort of basic thing and which we all support.

Do we need it at Ridgetown, when you just have to step across the lake and you are still in the corn belt, you are not very far off the Ridgetown climate, and they are doing all that work for free? Why do we have to repeat it here in Ontario? I do not disagree entirely with what you are saying, but Ridgetown is applied science.

Dr. Collin: Quite honestly, I think that is exactly where you want to do that kind of research. Let the new genetic developments be done at a university, whether it is in Michigan, Ohio, or Guelph. Bring them into the region

where you can really get the payoff. Part of the big payoff for that kind of research is the demonstration value. Farmers come in and suddenly see a new cropping system for these crops.

Could I address the second point, sustainability? I think I would agree with your concern about maximum yield on corn. That really is the present trend. I would recount to you—I am afraid I do not have much detail—that in the last year there has been a maximum yield trial set up on alfalfa. I think this is really significant to your point. Suddenly, you are looking at a crop and asking how much forage we can generate out of this crop, as a cash crop.

If we have the ideal selection of soil, maybe not a clay in New Liskeard but some of the best clay-loam soils in Kent, in combination with proper fertilization prior to planting, maybe proper levelling, provision of irrigation, the introduction of the best new varieties, and put all those in a combination package to serve this particular area of Kemptville, I think that is of real value to the region, not only for generating research results but also for demonstrating what you can do by putting these packages together for maximum yield.

I suspect you may find that more beneficial to the sustainability, looking at how you can generate maximum yield out of alfalfa so it can be accepted as a commercial and cash crop in that area. That is maybe the sustainability part of it that we need to look at.

Mr. McGuigan: That is putting in a little more balance than you have at the moment, where you are putting it all on corn.

Hon. Mr. Timbrell: We have one on soybeans as well.

Mr. McGuigan: A world champion was announced last night. David Lugtehide, from Blenheim, in Kent county, a young man 14 years old.

Hon. Mr. Timbrell: Dr. McLaughlin, do you want to add to that?

Dr. McLaughlin: Just to comment, because I can relate to the concerns Mr. McGuigan has about maximum yield research, from the standpoint that my staff are the field staff making the recommendations to growers. I think we have had some scepticism about the value of this to us.

I am not talking about the pure research aspects, but for some time fertilizer companies have been pushing the maximum yield theory and basing it on the need for more fertilizers. In actual fact, it is not maximum yield at all; it is

maximum economic yield we are looking at. The results coming out of the Ridgetown work show that fertilizer is not the limiting factor to cranking up these yields, it is other management practices related to production of that crop.

From an extension standpoint, it has proved to be very valuable to us, to help counteract this sell, sell, sell syndrome of some of the fertilizer companies. We have been able to show it is not the fertilizer particularly, because in a lot of cases farmers are over-fertilizing or putting on the wrong kind. It tends to be things like population, hybrid, time of planting, weed control, some of these other things that tend to slip if the management is not right up to standard.

Maximum yield research has proved to be extremely valuable to us, and the fact that it has spun off now into soybeans and alfalfa will help us all the more.

Mr. McKessock: Mr. Chairman, I may take another side of this soil conservation and erosion we have been talking about for some time now. I know the farmers and the ministry staff are at work on the control of soil erosion. You have a large staff. I noticed when the Resources Development estimates were on they had organizational trees of the different ministries. Your ministry's tree had more branches on it than that of any of the other ministries under Resources Development.

You have a large staff and they are working with the farmers to try to control this farm land erosion and keep it in production, but there is another area of land disappearance and that is the encroachment of the cities on this land. Sometimes I feel we are taking a large hammer to try to correct this in one area when we are losing much faster in other areas. We are losing farm land.

There is an article here that points this out. It talks about disappearing farm land in eastern Canada. This was a federal study on agricultural land use. It says: "Quebec and the Maritimes lost more than half their agricultural land base in the 15-year period between 1961 and 1976. Sections of Ontario lost 20 per cent or more, says the 213-page environmental departmental study." This was released a year ago.

Hon. Mr. Timbrell: That is the re-release. No one noticed it the first time, so it was released again.

Mr. McKessock: Right, and it is very devastating. We are talking about soil erosion, but here they are talking about a 15-year period during which 50 per cent of the land disappeared forever. It cannot be brought back by fertilizer or by special cropping or anything else.

Then it talks about greater demands being placed on prime farm land, which we were talking about. "Yields are increased in expensive, environmentally damaging ways through heavy cultivation and fertilization, risking erosion and soil degradation.

"Despite Canada's vast size, only 11 per cent of the land is of any agricultural value." If only 11 per cent of the land in Canada is of agricultural value, it shows the importance of preserving this land. "Half a per cent is prime farm land. Much of the prime land is around and under the country's major urban centres."

I want to read a statement put out by the Leader of the Opposition (Mr. Peterson) a year ago, which also spells out the problem. Maybe you can bring me up to date on the area he is talking about around Brampton. He states:

"The Ontario government's commitment to preserve agricultural land is a farce and a sham, in the light of the Ministry of Agriculture and Food's recent support for the urban development of 4,000 acres of top quality food land in the city of Brampton. A few weeks ago, a major federal government study reported the alarming disappearance—"

11:30 a.m.

Mr. Swart: On a point of order: I am not trying to stop you, except to say I am not sure if you are aware we had quite a discussion—you may not have been here at the time—on Brampton and the whole matter of urbanization of good agricultural land. I just wanted to point that out.

Mr. McKessock: Okay, I will not be long on this. He was really referring to the study I was just talking about here, "...a major federal government study reported the alarming disappearance of millions of acres of prime farm land in Ontario, especially in the urban shadow.

"A classic example of this continued destruction is evident in the Premier's own back yard. The city of Brampton was well-endowed with agricultural land containing some 81.5 per cent class 1 land. Only one half of one per cent of Canada's land is in this category and approximately one half of this small amount is in southern Ontario. Between 1971 and 1982, however, Brampton lost some 16,000 acres of prime agricultural land and the trend continues. Brampton only has some 27,000 acres of farm land remaining.

"Last year we questioned the Minister of Agriculture over the lack of any commitment by his ministry to the application of food land guidelines to the Brampton official plan, which included the urbanization of over 7,000 acres of

agricultural land and which had been circulated to his ministry for comments in October 1980.

"Now after three years of stony silence, the minister has finally decided that the best way to preserve 4,000 acres of agricultural land whose need for development has not been demonstrated is to include it in the urban boundary and to allow it to be phased in.

"The definition of 'time frame' for the phasing has intentionally been left vague. The city of Brampton will be considering the comments of the Ministry of Agriculture in September." Last year. "Surely, a more logical means of preserving farm land is to keep it out of the urban limits, especially in view of the fact that the only justification for the inclusion of this land for urbanization, which has been included in the draft official plan, was as the result of a submission to Brampton council by R. K. Webb, the former law partner of the Premier on behalf of the Ronto-Sandringham development group.

"As a result of the inclusion of these lands, the original official plan population projection was revised upward from 260,000 to 344,000 population. Mr. Peterson states that the Minister of Agriculture is abrogating his responsibility when 4,000 acres of the best food land is casually sacrificed to urbanization and he condones the continued loss of the means by which to feed ourselves."

I just want to mention, too, that when I was visiting the Ontario Correctional Institute at Brampton this summer, I went home after I finished there and continued north up that road from the correctional centre, which is west of Highway 10. I noticed the crops there were very good. I thought, "Either the crops are better here than they are at home or it has been an awfully good growing week."

When I got home I observed the crops and realised the corn in the Brampton area was standing about six or eight inches taller than it was at home. Of course, we are 100 miles further north and we do not have the same heat units or the type of farm land that is around Brampton. That was an observation to me, right on that day, that the crops around Brampton were very good, better than 100 miles north, and that that type of land should be preserved. It is level. You do not have to worry about the erosion as much.

This is an area that the farmers cannot do anything about, but this is an area the minister can do something about. This is why I bring it to your attention and I would like an update on this.

Hon. Mr. Timbrell: A lot has happened and, as Mr. Swart said, we did go into this last week.

I am not too clear, and maybe you are not either, on what it is your leader is saying. Is he, in fact, saying that no further development of any kind should be allowed in Brampton, or is he saying that only development that can be justified on the basis of need should be allowed in Brampton? Maybe you can clarify that for me.

Mr. McKessock: Actually, I was asking you what you are doing on it. We can go back and ask Mr. Peterson, but today I would like to ask you.

Hon. Mr. Timbrell: You do not know what he means? What is his policy?

Mr. McKessock: I thought it was fairly clear as to what he meant.

Hon. Mr. Timbrell: No, it is not clear to me.

Mr. McKessock: With only half of one per cent of all land in Canada being prime farm land, we should be doing everything possible right across Canada to preserve all prime farm land.

Hon. Mr. Timbrell: Your understanding would be then that his position is that there should be no development on any prime farm land at all?

Mr. McKessock: I am not going to get into that argument with you.

Hon. Mr. Timbrell: I am not arguing. I am asking.

I recall that release. It is not clear to me after hearing it read again just what he is saying.

The position we have taken in Brampton has been that—well, there are three parts to the Brampton official plan amendment that is presently before the municipal board. One has to do with the acreage—and I forget the acreage; it is a fairly significant acreage—which they proposed to designate for estate residential lots. It is all prime farm land.

The Food Land Guidelines are very clear that we do not support and will not support estate residential development on prime farm land and so we are opposing that part of their application. What is it, 2,000 or 3,000 acres?

Interjection: About 900 in that.

Hon. Mr. Timbrell: Is that 900? Sorry.

Then on the west side of Brampton there are proposals for the redesignation of some land for industrial purposes. To date, they have not been able to give us data which would support their stated view that there is a need for more industrial land in Brampton, so in the current hearing at the municipal board we are opposing that part of their proposal.

The third part: in the middle north of Brampton there are 4,000 acres of land which they are

proposing to redesignate for urban residential use. Over the course of three or perhaps four years we had at least two or maybe three sets of data and projections of population growth, all of them different. The discussions were very protracted and the meetings at all levels were numerous.

The position we took was, first, we can accept that the population of Brampton will grow within its defined boundaries. Second, we cannot and do not accept that any of these sets of data are necessarily correct. They may be high; they may be low. No one can say with absolute certainty what the population of Brampton is going to be five, 10, 15, 20 or 25 years from now.

The conclusion we arrived at was that, having accepted that there would be growth, the development should be phased in in a manner acceptable to us. So the maximum amount of that land would remain available for agriculture so long as it is not needed to meet the growth in the population of the city of Brampton.

Also, since a year and month or two ago since your leader put out that release, we have had the Caledon case. There are really three official plan amendments that have been percolating out there. There is the one of which I have just spoken, the Caledon official plan amendment, which was heard at the board in April or May.

11:40 a.m.

In that one—this is north of Snelgrove or around Snelgrove, if you will, on both sides of Highway 10—the Caledon council proposed to redesignate some lands for industrial purposes, mainly on the west side of Highway 10, and for residential purposes, mainly on the east side of Highway 10.

There, again, the data which the local planners and their lawyer—who happens to be, if I recall correctly, the same gentleman to whom you alluded in that press release—were not able to provide us with data that supported, in our view, the need for the redesignation of those lands. So we opposed the application at the municipal board, as did other local interest groups.

Mr. Swart: Including the New Democratic Party.

Hon. Mr. Timbrell: Yes, I remember. The board found in our favour and ruled against the application and turned it down in its entirety.

The third application, which will not be heard now until after this case is heard—is that not correct?—this current Ontario Municipal Board hearing, is for the Snelgrove area itself. We will treat that on the same basis: that need has to be

shown. If need cannot be shown, then we will oppose it.

Mr. Riddell: Carrying your logic to its extreme, what you are really saying is that as long as there is a need for further urban development, we have no choice but to allow that good agricultural land to be used for that purpose. If we are looking at a doubling or a tripling or a quadrupling of the population over the many years ahead, then I can foresee where a lot of this one half of one per cent of land to which Mr. McKessock referred is going to be taken out of production.

That is where our urban areas are now. They are situated on the best of our agricultural land. More people are going to be leaving the towns in other parts of Ontario to come to the urban centres, because this is where the jobs are.

What you are really saying is that as long as there is going to be a need for this agricultural land for urban development, we have to meet that need, which means agricultural land is going to be taken out of production.

Hon. Mr. Timbrell: I am happy to say what I mean. With all due respect, I would rather not leave it to you to say what I mean.

Mr. Swart: What do you mean?

Hon. Mr. Timbrell: We have under way, and have had for some time, a variety of measures to encourage growth in other centres, to decentralize the growth. There is hardly a town of more than 5,000 population in the province that does not have an industrial park of one kind or another. There is hardly a town of that size or larger in which we have not been assisting with the installation or separation of sewer systems and water systems in order that those towns can grow and support industries, rather than continue what was happening from the late 1940s through to the late 1960s, the concentration on a small number of municipalities.

Mr. McKessock: That is like a municipality having two ball parks, one without lights and one with lights, and saying, "Okay, it is nine o'clock at night, go have your ball game." Which one are they going to play in?

It is fine to assist these municipalities, to encourage them to get more industry. That is what we want. But there is a twofold benefit for the people in my area if you stop building around Toronto, Hamilton, Brampton and so forth. If you stop them building there, they have to come to the area where you are helping them build industrial parks. They will have no other place to build.

As long as you leave Brampton, Hamilton and Toronto open to them, they are going to build there. The access to the highways is better. The climate is better. The other thing that started us talking about it is that it is also choice land. If you preserve that land, which is better for agriculture, better for the Ontario population as a whole for producing food, then you can let the industry move back to our area and all kinds of areas in Ontario. As we said, 90 per cent or 95 per cent of it is poor land you can allow industry to build on and can allow residences to be built on and not touch this prime farm land at all.

Until you stop them from being able to use it, phase it in or whatever you do, they are going to build there.

Hon. Mr. Timbrell: It seems to me there are a couple of points I must emphasize. First, we do encourage industry to locate away from Toronto.

Mr. McKessock: You encourage them, but they will not do it.

Hon. Mr. Timbrell: Are you saying that if they do not want to build elsewhere we should say, "Do not build at all; we do not want your factories"?

Mr. McKessock: I think you have a good reason for insisting: "You cannot build on prime agricultural land."

Hon. Mr. Timbrell: We should say, "Either you move away or do not build in this province at all."

Mr. McKessock: In this province 95 per cent of our land is available for development, but there is some choice agricultural land being built on.

Hon. Mr. Timbrell: I know that, but if a company decides, for its own reasons, because of the nature of the product they manufacture or the nature of the service they provide or the nature of the clientele with whom they deal, that it wants to be in the Golden Horseshoe, for example, are you telling me we should insist that it locate in Owen Sound or Kingston or Pembroke or does not locate in Ontario at all?

Mr. McKessock: That is the high road you took with the beef producers. You said, "I do not think it is right to give subsidies to the beef producers, even though all the other provinces are doing it."

If you want to take the high road on preserving agricultural land, you would do what is best for Ontario instead of worrying about what the other provinces are going to do. It is the same thing with the red meat situation. All the provinces should get together and do the same thing. That is

what you were trying to do with the red meat and it is the same thing when it comes to agricultural land.

Mr. Chairman: Just a minute. We dealt with vote 2002 the other day and land preservation and improvement was discussed then. We are now on vote 2003 and we are dealing with colleges, agricultural technology and education. Do we want to move on to the next item?

Mr. McKessock: Let the minister respond and I will not—

Mr. Chairman: Are we going to go back over what we have already done?

Mr. Swart: Mr. Chairman, I would point out on the same point of order that we were to go back to that when the minister came because I wanted to discuss drainage under that vote.

I agree with you that this issue has been discussed before. It is an important issue, I do not want to underestimate it, but perhaps we can go back to that vote 2002 and deal with the farm drainage matter. Because this particular matter has been discussed, it can be concluded very shortly. Time is running out and I want to get back to the drainage issue.

Hon. Mr. Timbrell: There is no question: if our forefathers had had a little more foresight, they would have left the capital at Kingston, my home town, and we would be meeting there today. Perhaps, over the course of the 140-odd years since that decision was wrongly made, the pattern of development of the province would have been significantly different than it has been.

All I am saying is that certainly we should continue to encourage the diversification of the economies of the Peterboroughs and the Kingstons and the Bellevilles and the Trentons and the Owen Sounds and the Pembrokes and North Bays and so forth, where we do not have as much prime land. I really do not think enough recognition is given to the amount of diversification that has already occurred in those communities.

At the same time, I do not think we can simply say that nothing more will happen in Brampton and Pickering and wherever else. We have defined the urban boundaries of these municipalities and we have to stick to those urban boundaries. I do not think we can deviate from them greatly, which is going to put pressure on those municipalities to look at redevelopment in order to accommodate greater densities of people, commerce and business in the future.

That is why I asked what your understanding of your leader's statement is, because we could interpret it in many different ways.

Mr. Swart: I do not want to stay on this issue long. I have not said anything on it this time. The minister is talking nonsense. He says we want to stick with those urban boundaries. We have those urban boundaries in Brampton now. He is suggesting that we put another 4,000 acres of the very best land within new urban boundaries. He has also stated—

Hon. Mr. Timbrell: No, hold on, with respect—

Mr. Swart: Let me finish. You have also stated that if they can prove the need for that land they should get it.

You cannot have it both ways. You know as well as I do that the trend within any developed nation in the world is for the main urban centres to grow larger. Industry wants to locate around those main urban centres. England put in a tremendous effort to try to divert the major growth from the London area. You must be aware of all this.

11:50 a.m.

Hon. Mr. Timbrell: The new towns, yes.

Mr. Swart: You say you are trying to diversify it in other ways, by putting in sewer systems and all the rest of it. Toronto and Brampton have sewer systems. They have all the advantages of any other place, plus being part of the major urban area in this province. The simple facts are that unless you say we are going to divert by the carrot and stick method, the growth from these major centres on the prime agricultural land to other areas is simply not going to happen.

The member for Grey (Mr. McKessock) is absolutely correct in this. I am not at all sure that if they were the government they would do anything about it either because history has not been that way.

Urban growth on prime farm land has to be stopped. We have to say that these are the urban boundaries that are already set. Prime agricultural land has to have priority. That is what my amendment to the Planning Act simply says, that retaining good farm land for agriculture shall have priority.

Mr. Gillies: Are you saying that none of the new towns in Britain was built on agricultural land?

Mr. Swart: No, I am not saying that.

Mr. Gillies: My cousins live in Milton Keynes and there are fields of corn going right up to the edge of their back yard.

Mr. Swart: No, I use that as an example of the difficulty of diverting growth away from the main centres, for whatever the reason may be.

Hon. Mr. Timbrell: In both Britain and France they have built all the new towns on prime land.

Mr. Riddell: What we are saying is that a place like Parry Sound is crying out for industrial development. They have all the services you would want and all they need is industrial development, but, for some reason, the minister does not seem to want to send that industrial development up to Parry Sound. He is quite happy to have them develop around the Brampton area where we have some of the best agricultural land in the world.

I am astonished at the low priority that food production has in your mind. My God, you have a family of six children. What the hell kind of legacy are we going to leave the children if we are going to take all this prime agricultural land out of production to meet the needs of an expanding urban population in the areas where we have our best agricultural land? I just do not understand your logic.

Hon. Mr. Timbrell: I can see that you do not understand my logic. Clearly your remarks are not reflecting it.

We went over this last week in discussing Mr. Swart's bill. I take it now, and I will be glad to report it as such, that the policy of the Liberal Party is that there should be no further development of any kind on class 1, 2, 3 and perhaps class 4 farm land. That is what you are saying.

Mr. Chairman: Mr. Swart, do you want to get on to the topic of drainage?

On vote 2002, agricultural marketing and development program; item 5, land preservation and improvement:

Mr. Swart: I would like to lead into my discussion on drainage by referring back to the erosion problem.

I think everyone here would agree that the problem of erosion has dominated the discussion in these estimates. It is obvious why, with the reports of what has happened in Ethiopia and other places because of soil degradation and erosion. It has been forced on us.

As a recent report of the federal government states, we are facing an extremely serious situation in the not-too-distant future. Would you consider the appointment of a select committee—and I always hate to talk about appointing other committees—to examine this matter of soil erosion, a committee to tour the province?

I am conscious of the fact that such a committee was appointed perhaps before you were born, back in the 1940s, which made a conservation report. I still have a copy of it. In

fact, one of the things that brought me into the then Co-operative Commonwealth Federation was the stand that Ted Jolliffe had taken at that time on conservation. It is a very valuable document and it was a guide to the government.

I realize you have all kinds of staff of your own, competent people to do jobs and bring forth programs, but I suggest to you that a select committee can do a very comprehensive examination, deal with it in a political manner—if I may use that term—highlight the issue and write a report about what may be possible and which has the political connotation. Also, it can highlight the issue for this province and give guidance for many years into the future. I would ask you to consider a select committee to deal with the matter of erosion.

We have had a lot of suggestions here today and at other times about growing more hay and whether we can use that instead of growing so much grain. The whole question is a mammoth one. We all recognize that. There is no easy answer to it. However, I think at this point a select committee of your government would serve a very useful purpose.

I will leave that with you. I do not know whether you want to comment on it or not.

Hon. Mr. Timbrell: Looking to the future, I think one of the things I would like to see us do around here is make better use of the time of the members in addressing pressing problems. I think that is probably a very worthwhile suggestion.

Mr. Swart: Very good, thank you.

I want to deal with the question of municipal drains. I will say two things immediately. I recognize the need for drains. We used to call them municipal drains; now, it is the Drainage Act. When I was a reeve, we called them municipal drains.

I recognize the need for them, particularly as an outlet for tile drainage in most areas of this province. Generally speaking, over the years, the legislation we have has served a very beneficial purpose to agriculture.

I also want to make another comment—that I recognize that municipal drains are controversial by their very nature because people do not get benefits in proportion to what they pay. There are a lot of people who pay into the municipal drains projects who get little or no benefit. Anything of that nature is inevitably controversial.

However, having said that, I want to say very sincerely that it is time we took a new look at the legislation and the regulations with regard to municipal drains. We know the controversy that

has taken place with regard particularly to eastern Ontario and the municipal drains there.

People on both sides of the controversy have had very good points to make. Especially now, because of the change in the economy and because of the consciousness of erosion, I think it is time to take a new look at it and perhaps to provide some new procedures in this whole matter of the municipal drains.

I will point out to you, Minister—and you are likely aware of this—the conservation society which I guess really produced the first major report which highlighted the concern about soil erosion and the conservation of soil, made a couple of comments about municipal drains in this regard. The report said: “Increased surface drainage of agricultural lands has contributed both to high erosion levels and to increased sedimentation. Improved drainage systems are an efficient transport system for delivering eroded soils to stream waters.”

They go on to say: “Extensive rural drainage programs and improvement of urban areas has led to increasing spring runoff with less water available for sustaining summer flows. They lead to higher sediment concentrations in streams and greater damage to stream biology.”

Its April 25 report, Conservation News, says: “The source of sediment and associated phosphates originate primarily from rural lands where sheet and rill erosion are the primary source. Stream banks and municipal drains are the secondary source.”

They point out that municipal drainage systems have made some contribution to soil erosion. I do not want to over-emphasize it. I am not saying that they are a major contributing factor, but they are responsible for some soil erosion.

12 noon

There is another reason, too, why I suggest there should be a new look taken at the procedures with regard to municipal drains. That is the farm economy and the question of affordability of many of these drains and people being forced to pay money which they, at this particular time, cannot afford.

You are familiar with many of the other problems associated with them: the delays of three, four and five years which have taken place; the huge expense of the drains; the costs which are assessed to the petitioners if the drains fall through, and the fact that in some places the petitioners certainly cannot afford them.

I have here some newspaper clippings; I certainly will not read them all. You will know

about the Payne drain and the decision made there by the drainage tribunal. It said the estimated cost of a project was simply too great and could not be justified in the light of the benefits to be gained, particularly in view of the current depressed state of the agricultural economy.

I am sure you are aware and know very well what has taken place with regard to the Pleasant Valley drain—the controversy that has existed and the decision of the Ontario drainage tribunal there. The tribunal makes a comment—and I do not want to read all of this:

“The tribunal, having weighed all the evidence, concluded that the proposal in its present form, particularly with the prospect of only one-third funding, was too great a burden for the assessed owners.”

In the tribunal’s opinion, “a much less costly project was possible considering the stated objective was surface drainage. Also the engineering and administrative fees were considerably above provincial averages and ought to be reduced.

“Today the public, including many full-time farmers, is not prepared to accept costly drainage schemes that went unchallenged during the previous decade. Economic restraints, particularly the prospect of reduced funding, require more cost-conscious proposals. This project ought to proceed, but its total cost must be considerably reduced. Clarity with respect to environmental considerations is also desirable.”

You probably know, Minister, that now more than half of the drains in this area have been cleaned out by farmers themselves—and apparently quite satisfactorily cleaned out. Of course, there are farmers who have not cleaned out their portion and have therefore blocked the outlet to the farmers who have.

You also probably know that, although this project was to have cost something like \$285,000 under the engineers’ report, there was a proposal from Mr. Glen McNichol, a Godfrey contractor, who stated—and he said he was going to put this in writing and that he would do the job—all three branches of the drain could be restored to original working condition for about \$12,000. He said his ball-park estimate did not include engineering fees. Mr. McNichol felt that a sink-hole or outlet was needed to carry away any overflow.

Here we have a proposal for doing the job for \$12,000. The engineering costs alone are up around \$30,000 in that Pleasant Valley drain. It seems there should be alternatives for proceeding

with this now that they have cleaned out half of the drain on their own.

I visited that drain at the request of the people down there. You know about it and probably have visited it as well. It is a very small drain.

Hon. Mr. Timbrell: It is where I come from.

Mr. Swart: Yes, that is right. I know you come from not very far away from there.

But anyone who has been raised on a farm and knows drainage at all knows that drain could be cleaned out. It does not need any expensive, \$285,000-project in order to clean out the outlets and all the rest of it. Perhaps for erosion and conservation purposes, the outlets should not be made so the spring floods can get away in a matter of a few hours. Perhaps there is reason why some of that water ought to be sinking in.

You will know, Minister, that I proposed certain amendments to the Drainage Act. I think they are reasonable. I would hope you look at them. One of the amendments I proposed is that the municipality should have the power to order drains cleaned. If the property owner fails to do so the municipality should have the power to go in.

If you visited that drain down there you would know there is one farmer there, and I believe he is one of the petitioners, who has let brush and small trees grow up right in the watercourse. Of course, silt has accumulated there and now it is blocked. Have you looked at that? It would be a very simple matter to go in and have that drain cleaned out.

It seems that municipalities should have this power. They have power in a great variety of other areas, such as weed control, to ensure that one farmer or land owner does not take action or refrain from taking action which is going to damage the farmer next to him.

It seems also there has to be more work done up front so the farmers or land owners are sure this project should proceed, that it has the correct number of signatures and they have some idea of the cost and the benefits before they get away down the road as they have in so many areas.

I know you will tell me there is provision under the Drainage Act, and for a petition drain, for the municipality to have the option of ordering a preliminary report. It is not being done in many instances and therefore it seems to me there

should be a preliminary report under an—is it an agreement drain? What is the name of that type of drain?

Mr. Chairman: Mr. Swart, if I could have your attention just for a minute. My understanding is the Governor General will be going by here at about 12:10 p.m. Minister, did you indicate you wanted to leave at 12:15 p.m.?

Hon. Mr. Timbrell: If possible, but I was not aware that Her Excellency—

Mr. Chairman: I am wondering how we want to work this. They have to move the telephone and its booth from outside the door. Do you want to adjourn?

Mr. Gillies: Mr. Chairman, why do we not adjourn at 12:10 p.m. and resume this afternoon a little earlier?

Mr. Swart: At 1:30 p.m.?

Mr. Chairman: We would adjourn now and come back at 1:30 p.m.

Hon. Mr. Timbrell: I am agreeable except that I am speaking over the noon hour and I will not be back until 2 p.m. However, the staff will be here to—

Mr. Riddell: Save your audience the grief and come back here anyway.

Interjection: It serves them right.

Mr. Swart: We would not want to interfere with—

Hon. Mr. Timbrell: I can see you are at your Christian charitable best today.

Mr. Swart: Mr. Chairman, I know we are jumping around from one area to another, and I want to get back on this, but I would like to hear the minister's comments and I would like him to hear mine. I would prefer to have this adjourned at least until 2 p.m. if he is going to be back at that time.

We can go to something else when we come back at 1:30 p.m. if that is agreeable to the committee.

Interjection: We will move to vote 2003 then.

Mr. Chairman: Vote 2003, yes.

We will adjourn until 1:30 p.m.

The committee recessed at 12:08 p.m.

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No. G-9

Hansard

Official Report of Debates

Legislative Assembly of Ontario



Standing Committee on General Government

Estimates, Ministry of Agriculture and Food

Fourth Session, 32nd Parliament

Wednesday, November 14, 1984

Afternoon Sitting

Speaker: Honourable John M. Turner

Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, November 14, 1984

The committee resumed at 1:36 p.m. in committee room 1.

ESTIMATES, MINISTRY OF AGRICULTURE AND FOOD (concluded)

On vote 2003, agricultural technology and field services program; item 3, colleges of agricultural technology—education and research:

Mr. Chairman: I call the meeting to order.

There is a representative here from each party so we could probably carry on with vote 2003. I had a question I wanted to ask the deputy minister about brucellosis.

In years gone by, there was always a vet who would come and test the cattle for brucellosis. It did not cost the farmers too much. During the last few years the farmers have had to pay for this brucellosis testing, and it costs up to \$300, \$400, or \$500 to have a herd done.

If there are suspicions about that herd in any way, that farmer has to have the testing redone, and it seems to me it is quite a hardship on a lot of these farmers to have to pay for this. Is there any change on that, or what is the policy on brucellosis?

Dr. Switzer: If I may, Mr. Chairman, Dr. Rennie is coming up, and we have Dr. Henry and Dr. Pettit back there.

Dr. Pettit: The question was concern over the cost of brucellosis testing?

Mr. Chairman: That is right, for the farmers.

Dr. Pettit: As you probably realize, this testing is carried out by Agriculture Canada. As planned, the brucellosis eradication program is on a phase-out stage. It is predicted that by 1987 the disease will be eradicated from the entire country. At present, as you realize, there are pockets in Ontario where testing is still required.

Mr. Chairman: In order to have an accredited herd, you have to have a test once a year. Will that be continuing? I am getting to what these farmers are paying to have these tests done yearly.

Dr. Pettit: It is my understanding that when we are in an eradicated state in 1987 and the province is brucellosis-free, that will not be required.

Mr. Chairman: Okay. Jack?

Mr. Riddell: I suppose both Mr. Swart and I want to raise some points when the minister returns, but I have a couple of things that do not deal entirely with research. They have been brought to my attention just recently.

A farmer did not pay his 1982 property tax and he does not have his 1983 property taxes paid. He is on the verge of paying them and he wants to know if he still qualifies for the property tax rebate for his 1982 tax.

Dr. Switzer: My understanding is that he does not, but I would like to get that corroborated by someone who has more knowledge than I do of the program. I believe there is a deadline for applications.

Mr. Riddell: Bear in mind that he does not have his taxes paid.

Dr. Switzer: I will ask Mr. Sewell to respond.

Mr. Sewell: I believe the deadline was probably December 31, 1983. I think that was the deadline. Did he write to us?

Mr. Riddell: Apparently he contacted someone within the ministry and was informed he would not be eligible for the rebate on his 1982 taxes, so he—

Mr. Sewell: That date is fixed by order in council, but I would suggest he write in and apply to the Farm Tax Rebate Appeal Board, in care of Nancy Bardecki, director of the farm assistance programs branch. There was a Farm Tax Rebate Review Board under the old programs, and there is a new appeal board under the 1984 program. This tells you how to appeal. The same body would probably look at the appeal, if he gives his reasons.

The intent of a deadline was to avoid people making late applications. Early in the program, in the early 1970s, we got an extension by order in council once or twice, but we try to discourage people from making late applications.

Mr. Riddell: I have not spoken directly to this gentleman. He is waiting for me to call back. I thought I would get the information from you first. I would assume he was not able to pay his 1982 taxes. He simply did not have the wherewithal to do it.

Mr. Sewell: I think he should explain that in writing to the board, so they have something to go on. Okay?

Mr. Riddell: A point which just came to my attention is that farmers received October's OMAFNews about a week ago. For the winter wheat program, the deadline is October 31. For the 200-job program, the deadline is also October 31. That is not giving much advance notice.

Mr. Sewell: Wait, is that crop insurance?

Mr. Riddell: Yes. The Canada-Ontario crop insurance program for winter wheat is still available.

Mr. Sewell: I wonder if you could leave that one until Morris Huff arrives. I asked Mr. Huff to be here at 2 o'clock. He can probably explain why the Crop Insurance Commission of Ontario picked that deadline.

Mr. Riddell: They are concerned that some of them first learned about the programs in the last week, with this edition of OMAFNews.

Mr. Sewell: Oh, I see.

Mr. Riddell: They are phoning my office now and saying: "Boy, that does not give us much advance notice. They send out the information and the deadline is one week later." I just bring that to your attention.

Mr. Ediger: If I might comment on the deadline.

Mr. Chairman: Give us your name, please, for Hansard.

Mr. Ediger: Henry Ediger.

All we did in crop insurance was advertise deadlines. It was basically the responsibility of agents to canvass the farmers.

The best time to advertise a deadline is fairly close to the end of the application season. If you advertise a month before, farmers tend to think they have a lot of time and then do not apply. A week or two ahead is not a bad time to advertise a deadline.

Mr. Riddell: Okay, those were the two points I wanted to make. I guess we are still on agricultural—

Mr. Chairman: Colleges of agricultural technology education—

Mr. Sewell: Crop insurance and farm tax reduction are under vote 2004.

Mr. Riddell: I am waiting for the minister. I just raised a couple of points. Getting back to vote 2003—

Mr. Chairman: Are you finished with item 3?

Mr. Riddell: Is enrolment holding up at colleges of agricultural technology? Has it declined? Is it increasing? What percentage of graduating students are going directly back to the farm? What percentage would be going into agribusiness, and what percentage would be going into some field totally unrelated to agriculture?

Dr. Switzer: I saw a report that includes practically all the things you just asked. I think I can remember most of it, but it might be better if the report came from the person who wrote it. So, Dr. Rennie or Dr. Collin, I would think—

Dr. Rennie: While Dr. Collin is coming up I might just comment that figures relating to graduating students vary a little from college to college across Ontario, but on the average approximately 60 per cent of those graduating—including those in the diploma program—go back into primary agriculture, either to work with their father or a brother, or for a farmer in some capacity. The other 40 to 35 per cent go into agribusiness.

About five per cent—and, Dr. Collin, correct me if I am a bit off on this—go into something totally unrelated. Some go on to take a degree; some go into religion. There are various things. That is that story.

I will ask Dr. Collin to comment specifically on the enrolment trends over the past, including this year.

Dr. Collin: Thank you. I guess it is better to lead off by noting that, in the early 1980s, the enrolment in the agricultural technology colleges really took off. We were seeing growth rates then of about eight per cent. No doubt part of that was due to the opening of the new French-language college at Alfred. It now has a total enrolment of about 114.

The years of 1981 and 1982 were really remarkable in showing a very strong growth. For example, in 1981, freshman growth increased by 7.8 per cent, with really strong growth at the New Liskeard college. Then in 1982 the enrolment of the first class at Alfred increased by 8.1 per cent, with the freshman class up from 743 to 803—1982 was a really remarkable year; every college showed an increase, including Guelph's diploma program.

The graduates of 1984 were the record class. This fall the enrolment showed signs of levelling off and maybe even falling back a bit. We have looked at some of the detailed reasons for this. They are partly demographic, partly economic, and partly a choice of opportunities as other job

sectors open up somewhat faster than in the agricultural area.

There is a sense that perhaps farm families find less free cash to encourage their sons and daughters to go to college. Some principals have reported that farmers are inclined to keep the children at home, as an economy move, rather than hiring an extra hired man. As we see it, there is a perception that maybe agriculture and food service jobs are not seen as glamorous, high-technology jobs, and possibly not as a great opportunity at this time.

The other significant thing we saw in the late 1970s and the early 1980s was the back-to-the-farm movement among urban people who had children and professions, and investment by them in land and farming. That certainly fuelled the enrolment and the interest in agricultural education in the 1980s. That does not seem to be there right now, on the basis of projection.

Mr. McGuigan: That was really a false expectation people had.

Mr. Chairman: Dr. Collin, what percentage of 1984 graduates went back to the farm and what percentage of those who did began to farm on their own? Are there any statistics on that?

Dr. Collin: I cannot answer your latter point, but the figures show about 60 to 65 per cent of the graduates have in fact gone back to the farm. In recent years that has increased in percentage. As Dr. Rennie says, it is in the range of 60 to 70 per cent, depending on the area.

1:50 p.m.

The actual involvement and the opportunity for placement of the graduates has been very high; the record says about 90 per cent of the graduates are gainfully employed.

This is another interesting issue. The demographics of the students right across the province by universities, other colleges or the ag-tech colleges does show that we are declining. In fact, demographics project that actual demands on the colleges will probably decline until about 1992. The number of degree programs at Guelph has declined—and it is not just diploma education; this decline has been recorded throughout North America in the last two years.

There seems to be some sense of change of need in courses, if I could just spend a few minutes on that. It does seem that students appear more interested in practical courses and there is some fair dialogue on the need for hands-on education at our community and agricultural colleges, in comparison with a more disciplined approach. This will be addressed in a study by the

University of Guelph and our own college principals on the issue of the real need for a practical course of education at the college levels.

Mr. McGuigan: You should teach them to be political; that is the thing they seem to need to know.

Dr. Collin: I guess we would define that under leadership aspects and there is the strong appearance of that, both in the colleges and in the rural organizations and services branch programs. I hope that helps you in some sense.

Mr. Riddell: Well, the practical aspect of it has always been far stronger than what you are referring to as not practical.

Dr. Collin: I think it is fair to say that, yes, the agricultural colleges have, in fact, reinforced the practical and the farm management aspects of education. We see it in the Centralia program. There is more emphasis on and demand for skills and the hands-on kind of training.

The experimental introduction of a dairy herd program was instituted at New Liskeard a few years ago. That is the kind of thing with which we have great success. The success, in fact, was illustrated by the very heavy enrolment in 1981 and 1982. There is a real demand for that kind of service.

There is a well-documented occupational demand for that kind of education, not just classroom, not just lecturing, but hands-on experience.

Mr. McGuigan: There is just as much emphasis on English, public speaking and literature for all of the students. I think Agnes Macphail really set the tone when she said, "Raise hell, don't raise hogs." The college at that time put very heavy emphasis on training farm leaders. Do they still put as much emphasis on that as they used to do?

Dr. Switzer: I probably should answer that question, Mr. McGuigan. The answer is yes, certainly the emphasis is still very much on English; there is still very much an emphasis on public speaking. I will not guarantee—

Mr. McGuigan: Jack and I are great.

Dr. Switzer: You beat me to the punch, as usual. I was going to suggest that not all recent OAC graduates would have the facility that some of us older ones have in public speaking.

Along this line I might also comment—you mentioned about politics being taught. About five years ago we put in place a course called Politics in Agriculture. I do not know whether you have been asked to come and give lectures,

but the person who was teaching it, who does not happen to be in the Ontario Agricultural College but is in the politics department, has gone out and asked practising politicians who are in the agricultural field to come in and give a lecture.

Mr. McGuigan: They ought to ask us both, Jack.

Dr. Switzer: You may be invited at some time in the future to talk to them.

Mr. Gillies: Jack is not practising any more, he has it down now.

Mr. Chairman: Mr. Gillies, you had a question.

Mr. Gillies: The question I have is on vote 2004, so I will wait.

Mr. Chairman: If there is nothing further on item 3 of vote 2003, we can move on to item 4.

Mr. Riddell: I was going to ask about the animal health course at Centralia. Does it look as if you are going to be able to accept more students into that course? What are the job opportunities for the students who are now taking that course? Are there still lots of veterinarians who are able to use their services?

Dr. Collin: Could I try to answer it this way: the opportunity and the demand seem to be still very strong. Applicants outnumber the seats we have in the animal health program.

Job opportunities seem to be strong and basically the course is strong in the sense that placement of graduates is no problem.

Mr. Riddell: It seems to me that at Centralia college they are looking for more land to do more research on than they have in the past. I believe last year, when we were doing these estimates, there was some thought that they would be buying a farm in the area. Did that ever materialize, or are they renting land, or what are they doing for more land for research purposes at Centralia college?

Dr. Collin: Yes, you are right. We have looked at the need for research land at Centralia. I think you appreciate that it is needed not to do more research but to do better research. At present the staff at Centralia do have well-recognized research programs in cash crops; for example, corn, white beans, soybeans, rutabagas, some vegetables. These trials are scattered and the off-campus property is used. We are renting somewhere around 50 acres for these off-campus trials.

The other limitation we have on campus is that the land they are using is on the airport site and there is no opportunity for good rotation. Much

of their trial work, in fact, has been in pesticides and disease and varietal adaptation. There really is a great need to have good rotation.

They have, in fact, justified the requirement for at least 100 acres to help meet the research station's present needs. That need has been identified to the Ontario research institute, and they were supportive of it last December. The process of selection and offering is under way right now.

On item 8, support to rural and farm organizations:

Mr. Swart: I want, very briefly, to go down to the last item on the matter of the support to rural and farm organizations. I realize, of course, that the majority of that goes for soil conservation and environment protection. The minister may, in fact, have covered this in his statement but if he did, I did not get it.

I wonder what percentage of that \$5.5 million is being spent on conservation and how much is being spent in manure storage or in other ways.

Dr. Switzer: As you may know, this is the fund from which the 14 new positions for soil conservation and information dissemination come from. Rob McLaughlin is here. Since he looks after this fund, he would be in the best position probably to respond directly to your question.

The fund obviously was put in place, as you know, to cover both manure storage and the actual soil preservation. Your question is, what proportion for each?

Mr. Swart: Yes, and also what proportion, in fact, has gone to the farmers in the way of assistance in conservation measures.

Dr. McLaughlin: Of the \$5.5 million per year, \$3.5 million goes to the manure part of the program and \$2 million goes to the soil conservation part of the program.

The manure part of the program is funded at the one-third level, up to a maximum of \$5,000. So we are looking at a \$15,000 project and the government is putting \$5,000 into it.

In the soil conservation side, we are also looking at a \$15,000 project, whereby the assistance is provided at a 50 per cent funding level.

Mr. Swart: May I just pursue that? That program was started last year, was it not, the \$5.5-million allotment?

Dr. McLaughlin: It began in April 1983.

Mr. Swart: April 1983. How much actually went into conservation last year and how much so far this year? That is soil conservation, of course.

Dr. McLaughlin: Keeping in mind that when we are talking about soil conservation it is capital money for structures, basically water management structures—

Mr. McGuigan: After the fact.

Dr. McLaughlin: And it is after the fact.

2 p.m.

Mr. McGuigan: After the fact; the erosion has already taken place.

Dr. McLaughlin: The first year the program was put in place—and Dr. Rennie may correct me if I am wrong—I think that something in the neighbourhood of \$2 million was set aside out of the \$5.5 million to finish off the farm productivity improvement program. One was rolled into the other.

There was about \$3.5 million left over. The split was made proportionately and the program allotment was all spent last year. So all of the soil conservation money went and all of the manure storage money went. This year—

Mr. Swart: Can I interrupt? How much of it last year—did it all go in assistance programs under the conservation measures?

Dr. McLaughlin: Yes.

Mr. Swart: None of it was taken out for salaries?

Dr. McLaughlin: No, that was just rolled over this year, as of October. This year, to the end of October just under \$900,000 has gone to soil conservation out of the soil conservation program. In actual fact, there is, beginning next year, only \$1.4 million for capital structures, because \$600,000 was rolled over to salaries and demonstration dollars.

Mr. Riddell: Are there any applications being turned down because there are insufficient funds?

Dr. McLaughlin: None. That is why we felt it was reasonably safe to take money out of the \$2 million to put into people. We felt two things: One, the program last year was sold out, but there was not the full amount of money there; two, we felt that structures, by themselves, are operating in a vacuum. There is no sense in putting a grass waterway in place if the guy is not prepared to do some cropping practices to maintain it and keep it from silting in and things like that.

There are lot of things that can be done that do not require capital investment, structures. So we felt that probably the program as it sat last year was, if we were lucky, addressing maybe 20 per cent of the problem. The other 80 per cent needed to be addressed by farmers changing their

management style, approach, philosophy, whatever—tillage, rotations, plough-downs, cover crops, those kinds of things. To do that we felt the money would be better spent by putting an advisory staff in place to show farmers the benefits of doing some of these other reasonably low-cost things.

Mr. Swart: Does that \$900,000 include anything for salaries? Also, is that the amount you have spent up to this time? Are there further commitments you will be paying out of that fund, or does it look like that—

Dr. McLaughlin: That nearly \$900,000 is all structures. To date, no one has been hired. We had more than 60 applicants for the positions. We have interviewed at least 40 of them and we are now in the process of going back and offering jobs. We are hoping to put six positions in place before the end of the year, another four at the first of the year, and a final four on April 1.

Mr. Swart: It looks as if the backlog has been met, does it not? You are certainly not going to be using up the allotment for soil conservation. Is it anywhere meeting the need?

Dr. McLaughlin: It is not meeting the need, but it is certainly meeting the demand. The problem right now is that, without an advisory staff out there drumming up business to help farmers find their way, part of which might be a structure or might not be—once the teams are out there we are convinced that involvement in the program will improve. We felt fairly confident that putting that \$600,000 into people was the best way to spend the money, because it was not being spent by itself.

Right now, I expect we will spend the full amount of that \$900,000, because the spring and fall are the busy times of the year for putting these things in place. A lot of the jobs are currently being done; we do not have the invoices in yet, but this fall has been a good fall for this kind of thing and there will be a lot more projects coming on.

Mr. Swart: In fact, to date, it is not a raving success. The key question remains to be answered with the people in the field: will we get the measures related somewhere to the need?

Dr. McLaughlin: This whole conservation part of the program has met the need in a lot of cases, but it has not addressed the whole problem; that is right. We are hoping that the people will help complement that.

Mr. Chairman: Do you have a comment on item 8?

Mr. McGuigan: Are you saying, doctor, that except for the \$10,000 that went into a till-planter machine in the Rondeau Bay watershed, hardly any money has really been spent on the classical definition of soil erosion, as opposed to the structure to take care of erosion after it has already occurred? Is it fairly safe to say that, other than that \$10,000, there has not been very much money spent on soil erosion?

Dr. McLaughlin: Provincially or in Rondeau Bay?

Mr. McGuigan: Provincially.

Dr. McLaughlin: No, I would say that is not correct.

Mr. McGuigan: Enlighten us.

Dr. McLaughlin: Let us take Rondeau Bay as a specific, because you are familiar with that. We have all kinds of advisory staff working in that neck of the woods that are costing us government dollars. The Ministry of the Environment and Ministry of Natural Resources have also spent money down there.

Chris Nanne, who I am sure you know, is an employee of the plant industry branch of the Ministry of Agriculture and Food, and has been for over a year—

Mr. McGuigan: I am speaking of money spent outside of salaries.

Dr. McLaughlin: However, the suggestion is that it is the advisory staff who are going to make the greatest contribution to changing farmers' ways and convincing them there are things—

Interjection.

Dr. McLaughlin: Sure, the \$10,000 came in the form of two \$5,000 grants to the soil and crop improvement association. As far as I know, that is the only Ministry of Agriculture and Food assistance money provided to the group per se, over and above \$500 given two years ago for mailings and things to help that advisory committee operate.

Mr. McGuigan: There was a fair bit of money spent there on structures. I saw them.

Dr. McLaughlin: The program is going into place in that area, there is no question. I think part of that is because we have had some advisory staff very active there.

The Lower Thames Valley Conservation Authority is also picking up part of Chris Nanne's salary now and it is our hope in deploying these 14 new people that we will be able to form teams and get a co-operative effort going with the conservation authorities in the key

watersheds, the Lower Thames Valley being one of them.

Mr. Swart: What is the success of that? Was it in the Lake Huron region they had the conservation district set up, and is it successful? Have you had any further requests for that kind of a district?

Dr. McLaughlin: Yes and no. It has been successful. We have not directly had any requests to set up another. I guess fundamentally the concern I have is that when you line up the district's aims and objectives next to those of the Huron Soil and Crop Improvement Association, they read almost word for word.

In essence, what the district has done, to me, is stolen the profile from the soil and crop improvement association when indeed the district, in many cases, needs a lot of soil and crop work and it is members from the soil and crop association who are doing it.

As far as the district concept is concerned, we are having a little trouble with the fact that it is stealing profile from the soil and crop improvement association. A district is not an entity of which you can be a member. Anyone interested in soil management and soil conservation in Huron county does not recognize the association as the mover and shaker behind the district. All they see is the district as having the profile.

At the same time, the district has served an extremely good purpose in that it has the conservation authority, the three ministries in the provincial government and the soil and crop improvement association as an advisory body to put a program together in that county with two watersheds.

2:10 p.m.

That is exactly what we are trying to do in the other watersheds; put steering or advisory committees together so we can address the problems on a watershed basis and not deal strictly with agricultural soil erosion. There are water quality problems and all kinds of environmental aspects that are not directly related to agriculture but which have to be considered in cleaning up the act.

There are two types of soil erosion. There is soil erosion on agricultural land where soil moves from high to low land and affects crop yield, but the sediment and the phosphorus are not getting into a stream. Thus, there is not too much of an environmental concern over water quality, but there is great agricultural concern for crop productivity.

Conversely, there may be some instances where erosion takes place without a reduction of crop yield but with sediment and phosphorus

loading into the water courses. We have to address both kinds, despite the fact the impact is not as great on agriculture in the latter case.

On vote 2002, agricultural marketing and development program; item 5, land preservation and improvement:

Mr. Swart: Now the minister is back, we can move back to that. I was talking about the problems that exist in a number of areas of municipal drainage. The drains I have been contacted on are the Wolfe Island, Mariposa, Glen Elbe, and Paynes drains, and of course the Pleasant Valley drain.

Hon. Mr. Timbrell: Wolfe Island is known as the Reeds Bay drain; that has been approved now. The feds have come up with their—

Mr. Swart: Yes, it has been, but there was a lot of controversy for a long time.

There is a feeling, and with some justification, that the ministry takes very strong sides in promoting these drains. In fact, I have a letter here from a person who objected quite strenuously because he had been discussing some matters with another person and he ended up getting a letter from Mr. John Johnston that reads in part:

“The third point relates to whether or not a farmer can be sued for cleaning out an existing ditch. The answer to this is a definite yes.” This refers to the Pleasant Valley drain. “While suits are not an everyday occurrence, they are not rare. You should consult with your solicitor if you want specific advice on this subject.”

The last comment deals with the cost of maintaining municipal drains.

“The cost of maintenance need not be high, if the farmers all agree to undertake the maintenance work themselves. All they do is contract with the municipality to do the work. My experience is that such a system can work if only a few land owners are involved. It does not work well with numbers larger than three or four. It seems there is always one that has other priorities for his time.

“If you have any other questions regarding the Drainage Act and how it works, please feel free to contact me.”

This letter was sent to a Mr. Peter Stam by Mr. Johnston after someone else apparently brought to his attention that this person had questions. In general there is a feeling, and I think justified—you look puzzled.

Hon. Mr. Timbrell: I am puzzled that we are being criticized for providing information when we hear someone has questions.

Mr. Swart: If it is information of a promotional nature on the drain when no questions have been asked, there is some reason to be critical. There is no question that the ministry has promoted these drains, and sides have been taken.

Neither is there any question that, in many instances, engineers—because the larger the drain, the more money there is in it for them—have proposed much larger and more costly drains than were necessary, judging by recent rulings.

The procedures and the legislation need to be looked at, as I was saying earlier this morning. A member of the Legislature who lives down in that area, Mr. Runciman, feels the same way. You probably saw his comments in debate on May 17, 1984, where he says:

“I do have one concern related to agriculture I would like to relate to the House at this time. In the past few years Ontario has come to know a problem that results in confrontations unknown in the days of our fathers and grandfathers on the farm. It has to do with drainage ditches. We now see people virtually up in arms as a result of policies put in place in recent years, policies that were devised with the best intent but policies that unfortunately have led to problems greater than they were devised to solve.”

That is one of your own members, and he goes on to state: “I would like to see the government make mutual agreement drains eligible for a one-third grant. While admitting that all drains cannot be handled by mutual agreement, a goodly number could be, and that in itself would be good for most farmers.”

The fact is, grants are not available for mutual agreement drains—which inevitably seem to be far cheaper, and I realize the limitations on them—and grants are only given if you have the engineer who is going to proceed with costly drains.

Mr. Runciman said: “One project I have heard about is an example of what I am getting at. In Escott township in Leeds county, the land owners got a \$1,200 quote for a ditch cleanout. They were persuaded to go the petition route. The engineering costs were \$2,000. They got a \$1,100 grant and had to pay \$2,200 instead of \$1,200. The government lost and the farmers lost. The same story has been and is being repeated all over the province.” Again, that is from Mr. Runciman’s comments.

It seems to me there are some changes needed. Decisions need to be made further up front. You do not get down to \$30,000 having to be spent on

a drain—imagine spending that kind of money—before a decision is made on whether that drain is going to proceed. The appeal procedures should come into play much sooner than that.

Before lunch I mentioned one area I would like to see reformed and that is where the municipality could get involved, particularly on the smaller drains. When a farmer does not clean out his drain the municipality would have the authority to order him to do so and, if he does not do so, to go in and clean out that drain and add the cost to his taxes, the same as you would other costs—

Hon. Mr. Timbrell: You can stop and correct me if I am wrong, but my understanding is if it is a man-made obstruction the municipality already can order and follow that route, can it not?

Mr. Swart: Yes.

Hon. Mr. Timbrell: They can. As far as natural obstructions, beaver dams and so forth—

Mr. Swart: Or just not cleaning out, where sediment builds up as it did in this case in the Pleasant Valley drain.

Hon. Mr. Timbrell: Maybe Mr. Spencer, just on that point, could—

Mr. Spencer: The situation is that if it is a drain under the Drainage Act, then, of course, there are provisions under the act to ensure maintenance. That will deal with either man-made or so-called natural obstructions.

If it is just an outlet, a natural watercourse or something that does not have status under the Drainage Act, then the Municipal Act does have provisions for dealing with some of these issues. As I understand it though, it basically has to be a man-made obstruction for them to deal with it. If it is a natural watercourse and a natural obstruction, then, really, your only solution is to bring it under the act.

Hon. Mr. Timbrell: But is it not also true that in late 1981 and early 1982—I am thinking back to when I first came to the ministry—the ministry had significantly increased the amount of money available for drain maintenance because of the fact there are a lot of, as you call them, status drains under the act that the municipalities were not maintaining very well?

2:20 p.m.

Mr. Spencer: That is correct. We established a program of grants on maintenance about three years ago.

I was interested in some of the comments that have been made on erosion control. Certainly, that was something, I guess, we did under this program that we thought was a real assist there,

because if you can encourage municipalities to keep their drains maintained by fixing small problems while they are still small, you avoid the situation of having to go in and do a major reconstruction.

Very often, a lot of the erosion we have in our municipal drains occurs either during the reconstruction or immediately after, before it gets re-vegetated.

Some of the purposes of that maintenance program—it has been a relatively low-cost program—were to try to deal with small problems, to keep the drains maintained and to keep them working efficiently, and at the same time avoid some of these erosion problems in the drains. It takes about \$2 million of our \$7-million budget.

Mr. McGuigan: You did away with the requirement that they had to send in a report on that maintenance. At one time you had to have a report and the report cost more than the maintenance.

Mr. Spencer: The situation was this. Because there was no grant on maintenance and because there was a grant if you had a report for repair and improvement, the municipalities would opt for a report, call it repair and improvement, and therefore become eligible for a grant. It was, shall we say, almost a technical dodge to get a grant, when in fact what they really wanted to do most was maintenance. Now you can get your maintenance on the advice of a drainage superintendent, so you avoid the engineering costs.

Mr. Swart: Mr. Spencer, you are talking about, of course, an existing municipal drain. We are talking here about these small drains which may not be municipal drains. I would like to discuss again the Pleasant Valley drain, which is a very small drain. It had not been cleaned out, I think, for 20 or 30 years. It would seem that the cleanout would have solved practically all of the problems.

If you have seen it—and I do not know whether you have or not, particularly one corner of the farm where the trees are growing in the ditch and so on—you would realise there could have been a solution to that at a very reasonable cost if there had been some simple procedure provided for it. The only kind of procedure that existed was to go the petition route. This has already resulted in at least a \$30,000 cost, which may end up hanging over the heads of a few farmers.

It seems to me it would make sense to have a provision—some municipalities may not want to use it—where the municipality could, on the superintendent's report or something of that

nature, go in and clean out the drain if the farmer refused to clean it out himself.

Hon. Mr. Timbrell: There are so many drains I cannot remember all of the facts about each of them, but is that not a case where, if the municipality had been cleaning up that drain over the years, there would not have been a problem?

Mr. Spencer: Yes, I think this is somewhat of a chicken and egg type of thing. Had that been a municipal drain under the act—

Mr. Swart: But it was not. The municipality could not have cleaned it out because it was not a municipal drain. That is what I mean.

Mr. Spencer: I guess the point is perhaps that is one of the reasons it is in the condition it is in. Had it been a municipal drain it possibly, or hopefully, would have been maintained and you would not have had that difficulty.

One of the real difficulties in dealing with so-called mutual agreement drains is that there are really no requirements for engineering standards or engineering designs. They have no legal status.

You spoke earlier about your concern when we talked about the legal liabilities that this individual was getting himself into. Those legal liabilities are quite real and that person could be subject to a real lawsuit. That is one of the real advantages of the Drainage Act. It does deal with those legal liabilities. It does deal with standards. It does provide for ongoing maintenance.

We have always argued against any public grant aid for a mutual agreement drain because that drain does not have to go through an approval process. There are no appeals. The people who want to dig it just go in and dig it. They dig it to whatever standards they have and they may not cover their legal liability. They may not cover the design and construction standards we would like from an environmental point of view. There is no provision for maintenance.

We just do not feel or have never felt that public money should go to assist things under those circumstances.

Mr. Swart: Let me make two points. One is that it seems to me that my first proposal would get around many of the problems of having a mutual drain. People could clean out their own drains and the municipality could go in there.

Second, I want to say that many of these farmers—either the older or the younger ones—are used to looking after drainage in all of their fields. It comes very naturally to them, and I suggest that very frequently they can do the job every bit as well as some outside engineer

brought in to do it. Farmers are experts on drainage, more so than many of the so-called qualified engineers. You may not want to touch that one, though.

Also, because of what has happened with a number of drains—I am aware of this—before a farmer signs a petition for drainage it should be a requirement to give him information on it at the time, so he knows what he has signed.

Many petitions go around, and the farmers may not realize the legal implications of what they are signing. Therefore I think when the farmers sign a petition they should also have to sign some document which goes to the municipality and which acknowledges that they have been given full information on this project, that they have been given a copy of the procedures of the Drainage Act—and perhaps a summary of the Drainage Act—so they are signing something they know and of which they understand the implications. At present, that is frequently not the case. It is only a small thing, but I think it is an important one, if we are going to get away from all these conflicts that exist.

I also suggest there should be a preliminary engineer's report on all the petition drains, which would describe the drainage area and give an estimate of the cost. It should also be accompanied by a cost-benefit statement, and a statement of the anticipated effect on the local environment, and one on what it may mean as regards soil erosion.

After that preliminary report, I think all the other procedures should come into play so that way down the road you do not get charged \$30,000 or \$40,000 in engineering costs before the people have decided whether they want to proceed with it or not.

Hon. Mr. Timbrell: As I understand it, you are saying that what is now optional should be mandatory.

Mr. Swart: Yes, it should be mandatory.

Mr. McGuigan: Are you through, Mr. Swart?

Mr. Swart: Well, I will not go on to more things, if you want to talk about the issue. Just break in.

Mr. McGuigan: I want to talk about drainage for a minute. The member for Welland-Thorold (Mr. Swart) spoke about the need for an inquiry on erosion. I would like to expand on that and say we need an inquiry on drainage and erosion. In the past we have considered drainage pretty much as a separate entity.

Hon. Mr. Timbrell: In isolation.

Mr. McGuigan: The theory was that if you had it drained well, you would not have any erosion. Now we know that is wrong.

There are many aspects of drainage that we need to look at, the cost-benefits being one, as I have mentioned before. The business about environment, the controversies between various groups as to whether this area should be drained or not, the people who want it for fish spawning, and there are many things to be said on their side.

Another area is the cost of drainage today. It used to be a pretty simple matter to have a drain cleaned out or drained out. Now you are looking at thousands and hundreds of thousands of dollars on a unit.

One of the cheap ways of draining water off land is by installing grass waterways. It is too big an investment to put in a drainage system to take care of that one 10-year rain, or even that one rain in the spring of the year, if we want a drainage system good enough to take care of that rush of water. All that water could be kept under control by the grass waterways.

There is no legal system covering above-ground work as there is for what you can do underground. If a farmer in that watershed says he is not going to put in a grass waterway, that he is not going to have anything to do with it, he can do just that. If we can do these things underground—

Hon. Mr. Timbrell: They can do that under the soil conservation program.

2:30 p.m.

Mr. McGuigan: Is there any authority for it? I do not think there is a legal authority if a person decides, "This year I am going to plough through my grass waterway."

Hon. Mr. Timbrell: Oh, I see. No.

Mr. McGuigan: I am not saying that I and my party advocate legislating this. We are saying it should be investigated. We should have hearings to see whether it is necessary to legislate. We just need to have a whole new look at this.

As a matter of historical interest, the Drainage Act had its origins in Kent county, not far from where I live. If you have a minute, there was a farmer by the name of Charlie Williams, on the Raleigh plains. The people higher up dug ditches that were big enough to carry the water off their land, but he did not have ditches on his land leading to the river to carry the water away, so it flooded his land.

He went to the council and wanted it to spend the money to put in a proper drainage system.

They said it was not their problem. It went through three or four levels of court. In those days you could get to the Supreme Court fairly easily, so he took the case all the way there and won. That was the basis of the Drainage Act.

Hon. Mr. Timbrell: What year was that?

Mr. McGuigan: Dr. Reek, who at one time was the deputy minister, then was the president—

Dr. Switzer: He was then president of the Ontario Agricultural College; but first he was president of Ridgetown College of Agricultural Technology.

Mr. McGuigan: Yes. He says that in the mid-1880s—he does not give a date—there was a chap by the name of Charlie Williams—his family is still there, very big in farming—and the lawyer was Matthew Wilson. It cost Mr. Williams a 100-acre farm to pay him.

Mr. Swart: It would today, too.

Mr. McGuigan: We are talking now about the same things they were talking about in this case.

Hon. Mr. Timbrell: This went to the the Privy Council?

Mr. McGuigan: The Supreme Court.

Hon. Mr. Timbrell: The Supreme Court did not exist.

Mr. McGuigan: Oh, no, he says it is the Privy Council.

Mr. Swart: I would just like to associate myself with Mr. McGuigan's comment that there is a very different situation now from what it was 10 or 15 years ago, in the additional knowledge we have at this time.

It certainly was the intent of the original Drainage Act to take water away as fast as you could. That was its purpose and there is still need for tile drainage and the outlets for it, and all of these things. I think we have to take a new look at the provisions of these acts.

In my private member's bill, as you may have seen, I am proposing that where more than 50 per cent of farm land owners in the drainage area petition against the drainage works, a tribunal would hold hearings immediately after the engineers' preliminary report and decide whether the project would proceed.

What I am trying to do is move all this up front, to have the decisions made very early instead of going through the two, three or four years that now expire sometimes before the works proceed or are dropped.

I am not suggesting that it should be 50 per cent of the farm land—and I make that clear—or owners. I am talking about farm land owners, not

just land owners in the area. I am not saying it should be dropped to 50 per cent. I am saying the tribunal should come into play at the time of the preliminary hearing.

I think the situation which has existed recently, particularly in eastern Ontario, demonstrates we should take a new look, not only at the procedures under the Drainage Act, but also at the factors that are considered when you determine whether a drain should go ahead.

Hon. Mr. Timbrell: However, considering all the years the act has been in place since it was last revised, and with the drainage referee and the tribunal—if you stop to think about it, the only place we are having trouble is, in fact, in eastern Ontario. That is not to say there are no appeals to the tribunal in other parts of the province; there are.

I think the problem is that in that part of the province drainage and municipal drainage are relatively new phenomena as compared to other parts of the province. What we have found is that there is a tremendous amount of—I do not use this word in the negative connotation—ignorance, or has been, of the Drainage Act, of rights and responsibilities. We have in the last year or two been trying to correct that by hosting and conducting a number of seminars in eastern Ontario for the councillors, the engineers and interested parties from any of the agricultural organizations. We are not hearing these things in southwestern Ontario.

Mr. McGuigan: Just the cost—

Hon. Mr. Timbrell: The cost is a separate issue. What we are talking about here is the process.

Mr. Swart: What you are saying is that you are not having the confrontations, the conflicts. I agree that you are not, but we are just not too sure whether some of those drains may be having an adverse effect on erosion and soil conservation.

Hon. Mr. Timbrell: That, again, is another question.

Mr. Swart: That is what I am saying. This whole thing has to be looked at and all the factors that determine whether they go ahead have to be examined in the light of the new information we have.

Mr. G. I. Miller: The member for Kent-Elgin (Mr. McGuigan) mentioned the case of a man who lost his farm. We had a case in our riding within the last two years where there was a natural waterway. There was no water running through it, but there was no place else for the water to go. The neighbours had blocked the

ditch up, because it was a provincial park or a lake park—it was along the lake. Those people had no place to drain the water. They had difficulty in speaking English; they could not get their story across.

It has cost them up to \$20,000 to fight this in court. They opened the ditch up and the people who owned the next property took them to court and the court ordered them to fill it back up.

On several occasions in my time as the reeve of the municipality of Walpole, it happened that cottagers who owned those properties have not wanted water running across them. They have blocked up the waterway and would not let the water find the natural drain.

I have spoken to—who hears appeals?

Hon. Mr. Timbrell: Del O'Brien?

Mr. G. I. Miller: —Del O'Brien about this and he said the only alternative they have is—as pointed out by the member for Welland-Thorold—to have it made a municipal drain and go through that court procedure.

They did not understand that process. Because of the cost involved they were only draining a couple of hundred acres and had to go through all this procedure.

If it is a natural waterway draining farm property and going through someone else's property, they should not have the right to block that up. But they do and they can take it to court and make it stick.

Hon. Mr. Timbrell: I would have thought that the common law would have covered that.

Mr. G. I. Miller: You still have the people to argue for it. The Drainage Act should be changed to stop blocking up natural drainage ditches.

Hon. Mr. Timbrell: But, of course, you still have to take it to court even to get a common law ruling.

Mr. G. I. Miller: The judge upheld that in a court hearing and the farmers had to pay all the costs.

Mr. Swart: Taking it to court can cost you.

Hon. Mr. Timbrell: I know.

Mr. Spencer: The situation there, really, was that the common law applied. This was not a municipal drain; it was not judged to be a natural watercourse, so the people did not have the right of drainage. They went ahead and dug the ditch out. As I say, they acquired substantial liability as a result of doing that. When the matter went to court, they—

Mr. G. I. Miller: They did not go across the property. They took it up to the property line—

Mr. Spencer: No, but they were working on their own property and that brought upon them liability for the water they collected and took to their property boundary.

Mr. G. I. Miller: There was no place else for it to go.

Mr. Spencer: That is really why the Drainage Act is in place, so that you can cope with those kinds of situations. Quite rightly, by acting without using the act, they got themselves a liability. The only way they could have done it without any liability was to use the act or to get a mutual agreement drain, which would have involved those two property owners agreeing mutually to do it.

Sometimes you can do that; sometimes you cannot. You never have any guarantee about that.

Mr. Chairman: Okay, I think we have spent a fair bit of time on drainage. Mr. MacQuarrie.

2:40 p.m.

Mr. MacQuarrie: I want to add that I heard eastern Ontario mentioned and the lack of knowledge on the part of farmers with respect to the provisions of the Drainage Act.

I do not think this is really the major problem in eastern Ontario. In one area in particular, the Alfred bog, we have run into strong conflicting interests where you have the wetland conservationists, persons belonging to the field naturalists club and others, wanting to preserve the bog in its more or less natural state, and on the other hand you have some agricultural interests wanting to drain what could be very productive agricultural land.

Mr. Swart mentions the majority of owners in an area, as opposed to farmers or others of lands to be benefited. One municipal drain I had some experience with drained several very large farm holdings, but, in addition, it provided an improved outlet for a residential development, small holdings along two major roadways. If all those owners were involved in the scheme, the thing would be up in the air for years.

In that case, relatively small levies were made against the smaller owners involved. Some of them protested a bit, but it ended up with the drain going through without too much outside interference. There were a couple of strong meetings of council as I recall, but nothing too much above that.

Mr. Chairman: I think we have spent a fair bit of time on this. There are some members who want to talk about crop insurance. Perhaps vote 2002—

Mr. McKessock: One more point before you carry it. I have just a short question on the 13-member Agricultural Council of Ontario that was formed six months ago. How much money has been spent on this to this time and what have they reported to you in this six-month period?

Hon. Mr. Timbrell: We will have to get you the figures. So far, they are undertaking two projects for me. One is an overall review of farm income in the province, including projections. That study is just getting under way.

The second is a study of the wine and grape industry, which is being headed by a member of the council, Dr. Tanner from the University of Guelph.

They have been in existence only a few months. They have met three or four times and they have begun these two projects. We will get you the figures.

Mr. McKessock: What do you intend to derive from this farm income study? Is this on a product-by-product basis or—

Hon. Mr. Timbrell: No, it is an overall review of the income situation of Ontario farmers.

Mr. McKessock: Will it bring the different sectors of the—

Hon. Mr. Timbrell: The different sectors, the plan-managed versus free market, for instance.

Mr. McKessock: On the beef marketing agency commission report—

Mr. Chairman: Is vote 2002 agreed to?

Mr. McKessock: Just a minute, I was talking under item 7, advisory services.

Items 1 to 6, inclusive, agreed to.

On item 7, advisory services.

Mr. McKessock: Under the Beef Marketing Agency Commission report that was released recently—

Hon. Mr. Timbrell: Yesterday.

Mr. McKessock: —it is my understanding this will be put in place fairly soon and that four years from now they will vote to see if it is to continue. Is that correct?

Hon. Mr. Timbrell: Were you in the House yesterday?

Mr. McKessock: Yes.

Hon. Mr. Timbrell: Then I do not understand how you could get that understanding. I very clearly said in my statement that I have given the reports to the Ontario Cattlemen's Association and the Ontario Federation of Agriculture. I have asked both executives to assume responsibility

for convening meetings around the province to discuss the reports in detail. Summaries of the reports will be published in the next issue of OMAFNews.

The chairmen of the beef and sheep commissions will attend those meetings to give brief presentations of what they recommended and why. They will present the rationale and answer questions.

Since your remarks pertain to beef, I have agreed we will hold a province-wide plebiscite, referendum or vote—whatever you want to call it—no later than the middle of April next year.

Mr. McKessock: The Globe and Mail has the plebiscite scheduled for 1988.

Hon. Mr. Timbrell: That just shows you cannot believe everything you read.

Mr. McKessock: It said cattlemen would have a chance to throw out the new system in a plebiscite scheduled for 1988. That is why I was wondering if you were putting it in place and voting on it four years down the road.

Hon. Mr. Timbrell: Whose byline is that?

Mr. McKessock: Oliver Bertin's.

Hon. Mr. Timbrell: I find that amazing because he was in the gallery yesterday and the statement could not have been clearer. Mind you, what he is reporting is what the commissioners recommended. I have said we will put it into the hands of the cattlemen after three or four months for their review and discussion and they will decide by vote.

Item 7 agreed to.

Item 8 agreed to.

Vote 2003 agreed to.

On vote 2004, financial assistance to agriculture program:

Items 1 and 2 agreed to.

On item S, advances to the Crop Insurance Commission of Ontario, Crop Insurance Act:

Mr. McGuigan: I would like to talk about a specific case which does have some general aspects. A chap called Mr. Ward Hornich, of RR 1, Tilbury, Ontario, was a soybean grower. In 1983, as you will recall, it rained a great deal, especially in the southwestern part of Kent county and a lot of people there had very poor crops as a result.

They gave him full insurance on, I think, 35 acres of his farm. On 83 acres, the crop insurance people said the acreage was too weedy, he did not spray, and therefore he had not given the soybeans the best of management. In fact, they actually accused him of planting the crop for the purpose of collecting insurance.

I understand a person could plant a crop with the idea of collecting insurance, but this man has all sorts of people who have sent in letters which attest that there is nothing in his past which would lead one to think he would do that sort of thing. He has been turned down.

2:50 p.m.

I think the crop insurance people's decision really comes around to that management question. After he planted the crop, it was late, the weather was wet and he made the decision not to put herbicide on.

As a matter of fact, as a matter of future farming, I have advised people to practice defensive farming, as doctors practice defensive medicine—if there is a question whether this patient gets the test or not, he is given the test anyway because if you do not give it to him you might get sued.

I learned this lesson for myself with our fruit crop. You look at your crop in midseason, somewhere prior to the last date of inspection, and you think the crop is all right, the yield is there and you have no cause to put in a claim.

We did that one year and the weather turned drier. I had not analysed the fruit as well as I should have and I had a shortfall. By that time, we had no way of proving whether we had a shortfall or not, because we did not have the inspection and did not have the claim. Therefore, since that time, we routinely put in a claim soon after pollination time. That gives us our inspection. Following that, if anything happens in the way of reduced yield, a hailstorm or that sort of thing, we are covered.

This man did not practice defensive management with a view to insurance and therefore he is accused of trying to defraud the insurance commission.

Under that act—I wish you would correct me if this is not true—there does not seem to be any over-ruling power for the minister. I realize you would not want to go against an appeal tribunal very often, but there is not even any power there.

Hon. Mr. Timbrell: All I can do is refer it back for a rehearing. That has been done on occasion.

Mr. McGuigan: You can go back for a rehearing, can you?

Hon. Mr. Timbrell: Yes.

Interjection.

Hon. Mr. Timbrell: No? I thought we heard of a couple a few years ago. I thought we had one where a second look was taken.

Mr. Huff: I believe the minister may be referring to farm income stabilization.

Hon. Mr. Timbrell: I know we have done that too, but I thought we had a few crop insurance cases.

Mr. Huff: I do not recall of one being heard in front of the arbitration board twice. Your memory may be better than mine, but I do not recall it.

Hon. Mr. Timbrell: I know we have certainly done it on stabilization. I thought we had it once or twice—

Mr. McGuigan: I searched the act and I could not find any power in the act. Otherwise, I would be here asking you to use it.

Hon. Mr. Timbrell: The only acts under which I have any authority to change a ruling are those involving the farm products tribunal, as I recall. There is authority in those to review any decision of the Farm Products Appeal Tribunal within 30 days, something like that.

Mr. McGuigan: Just to go on, I have seen other cases when even I was a little bit concerned about what was going on. I am not concerned in this particular case.

I think it was a matter of poor judgement. The man made the wrong decision. All of us come from a background in which if the barn burns down, they pay insurance for the barn. They do not say, "You should not have had that heat lamp." Perhaps we should not have had the heat lamp, but nevertheless they still pay you even though the heat lamp set the barn on fire. You still get paid, unless you deliberately set the barn on fire, in which case it is arson.

Hon. Mr. Timbrell: Surely, even then, there have been instances, whether it is a farm building or automobile accident, where companies have refused to pay or only paid partially on the ground that decisions or actions taken by an individual contributed to the calamity of whatever kind it might have been.

Mr. McGuigan: If it was absolutely gross negligence, if he were drunk for instance, yes. I do not think this man was grossly negligent. It was a matter of him judging the weather and deciding whether or not it was worth while putting herbicide on. He made the decision that it was not. It was an error in judgement, but I do not think it was motivated by base feelings.

Hon. Mr. Timbrell: Mr. Huff could probably help us here. Though not having been in the ministry when the program began, my suspicion would be that because it is a program where the federal government pays half the premiums—we

are simply the managers in effect—for that reason it was left free and clean of political interference.

Mr. Huff: I believe that is correct, Minister.

Mr. McGuigan: Two years ago Canada was never mentioned.

Hon. Mr. Timbrell: That is an improvement I made, you see. But we did the same thing, for instance, with the beginning farmers program review panel. I do not have any right to interfere there. I can ask them to re-review things—and we have—but their decision is final. If they overrule our staff, that is final.

Mr. Chairman: Anything further, Mr. McGuigan?

Mr. McGuigan: Does Mr. Huff know about this case?

Mr. Huff: I presume you are referring to one that has already gone to arbitration. If I recall the details correctly, the crop was planted in fairly narrow rows so it was not possible to apply herbicides. Lack of farm management and lack of cultural controls are not insured perils.

Mr. McGuigan: I would like to correct you there. The planting method is really broadcast, rather than in rows you can cultivate; you have to spray unless you have an absolutely clean field. He put himself in a position where he had to spray but he made the judgement, based on the weather, that it was not worth spraying. That is where he made his error.

Having gone to seven-inch rows, you simply have to spray unless you have a field without many weeds in it. But it was very late, it was wet, the weather was bad and he made the wrong decision.

First, I do not think he should be accused of trying to fiddle anything. Second, frankly if he had wanted to take it to the Supreme Court—and that is possibly where he would have to take it—he would win, but it is a case of the whole thing not being worth while. He would probably win if he took it to the Supreme Court.

Mr. Chairman: Mr. McKessock, do you have any questions on this?

Mr. McKessock: I brought up earlier in the week or last week most of my questions pertaining to the programs of assistance that are available or not available within the ministry. My biggest concerns are that it is not the programs that are in place, it is the ones that are not in place that do not allow the farmers in Ontario to compete well enough with the farmers in other provinces—

Mr. Chairman: Pardon me, we are dealing with crop insurance here.

Mr. McGuigan: I just want to make one final comment, if Mr. Huff has nothing else to say. In order to improve these sort of situations, we really should make it better known to farmers that they have to practice defensive farming when it comes to crop insurance.

I know, a few years ago, Jack had the white-bean problem. My God, when those people had to go in and take those white beans off, they were cutting ruts that deep in the field. They were ruining their combines. Those people said if there ever was a crop that deserved crop insurance, that was the crop. Crop insurance came back and said, "You have to take it off."

I can understand why they would say that, but the farmers need to realize what they are getting into, just as I need to realize what I am doing with my fruit crops. The farmers need to realize what they are up against, because so many of them, if they have never had an experience with crop insurance, relate it to another experience, an accident or a fire or whatever, and they think they are dealing with the same set of circumstances and they are not.

3 p.m.

Mr. Riddell: Just very briefly, I raised a number of matters in my opening statement on crop insurance and I am sorry I did not have a chance to read the minister's response. I was not here that morning when responded to the opening statements of the critics, but what I asked for was a northern representative on the commission. I do not know whether the minister replied to that.

Hon. Mr. Timbrell: Yes, I said I thought it was a worthwhile suggestion and would keep it in mind for future appointments.

Mr. Riddell: The other complaint farmers in my area have with crop insurance is that they are not allowed to treat farms on an individual basis, an average is taken. I am in a similar boat. I have one farm in Stephen township and another in Hay township. Rather than using those farms on an individual basis, for crop insurance purposes I have to take all the farms and average the yield.

The farm I own in Hay township is a completely different soil type than the farm in Stephen township. The farm in Stephen township is on higher ground and is not subject to frost, while the farm in Hay township is on low land and if there is a frost, I am one of the first to get it.

I am using my own case as an example, but many farmers have brought that up. They feel their farms should be treated on an individual basis and not averaged. Farmers own farms all over the place.

The last point I made concerned northern Ontario. When I was there farmers told me insurance on forage crops was completely useless because the computer module they use is based on southern Ontario conditions. If you want to run into very annoyed farmers, where insurance is concerned, just go to northern Ontario.

You may have responded to some of the points in the opening statement. If not, I will not take any more time.

Hon. Mr. Timbrell: I think I responded to all of them.

Mr. Riddell: Okay, I will leave that. I will read that in Hansard.

When the provincial and federal ministers met here, just a week or so ago, and I read a brief summary of the recommendations and what you agreed on. I found no new policies have come forth which will meet the immediate needs of the farmers.

According to the Farm Credit Corp. survey, one out of every five farmers is in serious financial trouble. You people did not agree to come up with anything to help those farmers now. I am wondering what you will do to keep at least some of those farmers in business.

Are you intending to extend the Ontario farm adjustment assistance program into next year? Are you trying to lower the interest rate from 12 to 10 per cent or maybe even eight per cent? What do you intend to do to help the one out of every five farmers, who may not make it into next year?

Hon. Mr. Timbrell: It would take too long to get into the argument about the figures they used. It was not one in five.

Mr. Riddell: Well, 18 per cent.

Hon. Mr. Timbrell: It was 17.

Mr. Riddell: That is pretty close. Why are you always on the defensive?

Hon. Mr. Timbrell: I am not on the defensive.

Mr. Riddell: I am using ball-park figures and—

Hon. Mr. Timbrell: Why do you always interrupt when I try to answer?

Mr. Riddell: You just seem to be on the defensive all the time.

Hon. Mr. Timbrell: Why do you always try to put people on the defensive?

Mr. Riddell: This leadership campaign is not getting you down, is it?

Hon. Mr. Timbrell: No. Is it bothering you, that perhaps it might affect the next election?

Mr. Riddell: Listen, I would love to have you as Premier to run against next time around. I really would.

Okay, carry on.

Hon. Mr. Timbrell: Really? Good, okay, see you there.

Interpreting the figures depends on your definition of financial difficulty. I am sorry, I would have to disagree. The conference considered a dozen measures and we called for immediate action on six of them. They include: the extension of small business bonds; the rolling over of small business bonds; the development of a national program to provide access to operating credit, much along the lines of the Ontario farm adjustment assistance program.

The other six included agribonds. That issue, I take it, is going to a parliamentary committee within a matter of days. The federal government, in effect, has said, in Mr. Wilson's statement, they want that committee report very quickly so they can move on it in the 1985 budget.

Some time in the next couple of weeks we should be in a position to wrap up our consideration of OFAAP and announce what we are going to do. I have already said, in particular at the September meeting with the Ontario Federation of Agriculture executive, that I have no intention of just dropping the Ontario farm adjustment assistance program at the end of the year. That would be a mistake. It would affect a lot of people in a very negative way if we did that.

I would have to argue that things such as our beginning farmers program have had a very positive impact. The prospects of moving quickly on agribonds are very good. We have committed ourselves in this government to paying our share of the cost of an agribond program.

I know this is off the topic, Mr. Chairman, but I should tell you that in our consideration of agribonds we indicated they should be targeted to beginning farmers and those in financial difficulty; to debt consolidation and productivity improvements. It should be by way of direct government subsidy of interest rather than tax credits and that sort of thing, and agribonds should be available through any lender, whether it be the Farm Credit Corp., or existing provincial or private lending institutions.

There are a number of things we did at that conference which should be of immediate benefit and the agribond program in particular, in the long run, is going to have probably the most positive impact on the credit crunch which many farmers, whether it is five per cent or 17—we

could argue till we are blue in the face over what is the appropriate number and that would be really pointless. The fact is there are people faced with a financial problem and I think it is the agribond program that is going to have the most positive effect.

Mr. Riddell: John Wise is putting a freeze on any further farm foreclosures until January 15. I can go back and say to my farmers, "After that, Dennis Timbrell is going to look after you."

Hon. Mr. Timbrell: I think Mr. Wise, by doing that, has, in effect, said he is putting a deadline on himself and his government to come up with changes in FCC. If he failed to do so then obviously he would not be seen in a very positive light. It is a very significant thing that he has done.

Mr. McKessock: When I look at the assistance that the United States has given to its farmers, which last year amounted to \$30,000 per producer; and when I look at Quebec and see that if you are a cow-calf man with 100 cows, you would receive \$19,000 from the government, so if you broke even on your cattle business, you would have your living paid for, frankly, I am a little concerned about your becoming Premier, or even any of the other three PC contenders. We have not seen from the government here any assistance that in any way compares to what I have just pointed out in these other places.

Hon. Mr. Timbrell: You know that is not correct. You make it sound as though we have done nothing.

Mr. McKessock: What do you mean it is not correct? It is a fact.

Hon. Mr. Timbrell: In the United States the farm bill expires in September.

Mr. McKessock: I said last year.

Hon. Mr. Timbrell: The debate on the new farm bill has already started in Congress. All the projections we have seen would indicate that the support of the government of the United States to agriculture, direct aid, is going to be very much less in the future than what we will be doing here.

Mr. McKessock: That is fine. If our farmers had had it last year the same as they did in the other jurisdictions, then we would be in a much better position.

Hon. Mr. Timbrell: However, in everything you come up with, you are always leading towards making agriculture a ward of the crown.

Mr. McKessock: No, I am just saying give us the same chance that other provinces and countries are getting.

Hon. Mr. Timbrell: So we should find the highest level of support in the world and then match it; that is what you are saying.

Mr. McKessock: You say that next year they are not going to do it. Do not leave us behind so that we are always in a catch-up position.

Hon. Mr. Timbrell: Always go for the highest level of support in the world, match it, and then wait until they surpass us again and then match it again, until finally we have every farmer in the province dependent on the government for his income. That is not my idea of a good policy.

Mr. Riddell: Always aim for the sky and if you hit the tree tops you will be doing well.

Mr. Conway: Last call to Guelph.

Mr. Riddell: Okay, we are on the vote. Vote 2004 agreed to.

Mr. Chairman: This completes consideration of the estimates of the Ministry of Agriculture and Food.

The committee adjourned at 3:09 p.m.

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McGuigan, J. F. (Kent-Elgin L)

McKessock, R. (Grey L)

McLean, A. K.; Chairman (Simcoe East PC)

Riddell, J. K. (Huron-Middlesex L)

Swart, M. L. (Welland-Thorold NDP)

Timbrell, Hon. D. R., Minister of Agriculture and Food (Don Mills PC)

From the Ministry of Agriculture and Food:

Collin, Dr. G. H., Executive Director, Education and Research Division
 Ediger, H., Executive Director, Foodland Preservation and Improvement Division
 Huff, M., Director and General Manager, Crop Insurance and Stabilization
 McLaughlin, Dr. R., Director, Plant Industry Branch
 Pettit, Dr. J., Director, Animal Industry Branch
 Rennie, Dr. J. C., Assistant Deputy Minister, Technology and Field Services
 Sewell, R., Assistant Deputy Minister, Finance and Policy
 Spencer, V. I. D., Director, Capital Improvements Branch
 Switzer, Dr. C. M., Deputy Minister



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Official Report of Debates

Legislative Assembly of Ontario



Standing Committee on General Government
Estimates, Ministry of Labour

Fourth Session, 32nd Parliament
Wednesday, November 21, 1984
Morning Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, November 21, 1984

The committee met at 10:08 a.m. in committee room 1.

ESTIMATES, MINISTRY OF LABOUR

Mr. Chairman: I call the meeting to order. We are dealing with the estimates of the Ministry of Labour, starting with vote 2401. I believe the minister has an opening statement he would like to make at this time.

Hon. Mr. Ramsay: Mr. Chairman and members of the committee, I have a statement; it is lengthy, but I do not apologize for that. We have a tremendous number of activities and issues within our ministry. We think it is important to bring them forward and put them on the record.

However, there is another hidden motive, so to speak. I find this is a tremendous review and follow-up procedure for me personally; it is also like a report from the ministry to me. Then we have the follow-up to do from the comments of the members of the committee; that too is very beneficial.

It will take me some time; my statement is 210 pages long. I do not want to make any excuses, but I did have some dental work done on Friday, and I am having a little problem with my mouth. I might have to ask you to call a brief recess about halfway through.

Mr. Mackenzie: In a spirit of friendly joshing, I guess, can I ask you what is beneficial about our comments? You never act on any of them.

Hon. Mr. Ramsay: That is not true at all, sir.

Mr. Mackenzie: I will watch for the long list of comments we made that you acted on.

Mr. Haggerty: What is the time element on this?

Mr. Chairman: Fifteen hours.

Mr. Haggerty: With four hours for the minister and four hours for each of the critics, there will be little time left for any other members.

Mr. Mackenzie: Mr. Chairman, we discussed this last year. I do not want to spend a lot of time on it. The minister's statement a year ago was a good three hours long. That prompted some of us

to respond in kind, which I do not intend to do this year.

As you also know, we cut the time of the estimates of the Ministry of Labour substantially. I wonder what the estimates mean any more. The opening statements cover the waterfront, and we might as well not deal with the eight or nine individual votes, because there is very little time left to deal with them. I do not think it means an awful lot in any event. I am becoming a bit of a cynic about this whole estimates procedure.

A year ago, we discussed trying to cut down on the opening statements. Although you indicated some sympathy at that time, it is obvious we have not achieved it. I am just wondering whether there is any point in taking a look some time in the future at how we handle the estimates of the Ministry of Labour.

Hon. Mr. Ramsay: As usual, the honourable member is quite accurate in that we did discuss cutting it down and I was sympathetic to it. I am not particularly excited about going on for ever, reading this material.

On the other hand, we gave it careful consideration. As I said in my opening remarks, there were other factors involved that made me feel it was worth while and useful. I hope it will be useful to the committee. It is certainly useful to me and to our people. It also does provide for the opportunity of follow-up.

However, again in the spirit of co-operation, perhaps—and I say perhaps, because I leave it to you, Mr. Chairman—next year, if I am still in this post, and I hope I am, there can be a pre-estimates meeting with a representative from each of the parties and we can discuss the appropriate way to handle the estimates. I am prepared to look at it in that way.

We want to be co-operative and to conduct the estimates in a way that will be most beneficial to the members of the committee as well as in the best interests of my ministry.

Mr. Mackenzie: From the papers, I notice you are down as supporting Mr. Grossman. I am wondering whether your remaining in this post depends on him winning the leadership campaign. I found your support a little curious because it was Mr. Grossman who brought in Bill 179 and Bill 111, and there was very little in his last budget to help provide employment for

unemployed workers. Does that indicate a continuation of these kinds of policies if he is the successor?

Mr. Chairman: I think we are getting off the subject.

Mr. Haggerty: Mr. Chairman, I raised the matter about the lengthy opening speeches by the minister and the opposition critics because in dealing with estimates of different ministries what I find is that by the time we get through with the three leadoff speakers, we are pretty well over the limit in terms of allowing other members to have any matters or concerns raised during the estimates.

The minister's opening statement may last for three or four hours here. Some of the leadoff statements of other parties are lengthy too. It cuts down on the time to get into dealing with the facts that are in the estimates themselves and some of the policies that may be related to them. A document like the one I received this morning should have been sent out about two or three days ahead of time so there could be some response to it.

Hon. Mr. Ramsay: Mr. Chairman, I will respond to Mr. Haggerty through you, on two points. First, it will not take three or four hours. It is 210 pages long. I read at a pace of about one page a minute; so it should be about 210 minutes, which I guess is three hours. I am sorry; I apologize.

Mr. Haggerty: I was right the first time.

Hon. Mr. Ramsay: You were right. I apologize, Mr. Haggerty.

The other point you raised was about giving it to you in advance. We thought we were being co-operative this year in that in other years we did not give it to you until we had finished reading it. It was requested last year that we provide it to you as we went along; so we have progressed.

Mr. Mancini: It must be the Christmas spirit.

Hon. Mr. Ramsay: It is the Christmas spirit. That is right.

Mr. Harris: You guys could give all your questions in advance too, you know. We could complete these Labour estimates in about two hours.

Mr. Samis: Where do you want to go?

Mr. Chairman: Mr. Mancini?

Mr. Mancini: Minister, I think you—
Interjections.

Mr. Chairman: Order. Mr. Mancini has the floor.

Mr. Mancini: Minister, I think you do this purposely just to wear us down.

Hon. Mr. Ramsay: No. I assure you I can do without it. Mind you, I have an awful lot of staff persons who enjoy working overtime and extra hours, without pay, to prepare all this material.

Mr. Mancini: I am glad you mentioned expenses and things of that nature because this year I intend to deal more with the expenditures of the ministry than with the actual statement.

Mr. Chairman: Okay. Let us get on with the statement so you will have some time to do that.

Mr. Mackenzie: Did the minister indicate an attempt to do away with time and a half for overtime?

Hon. Mr. Ramsay: No. They are just dedicated.

Mr. Mackenzie: They are not setting an example for ministry workers in general?

Hon. Mr. Ramsay: No. They just do not bother submitting it. If they submitted it, we would certainly pay it; they just do not bother submitting it.

Mr. Samis: Did they advise you to speak for three and a half hours?

Mr. Harris: I am pretty sure all the answers are going to be in there.

Mr. Mackenzie: When I get my chance, I want to deal with some of the things we were told last year.

Mr. Chairman: The more time we waste, the less time we have for questions; so would you like to carry on, Minister.

Hon. Mr. Ramsay: Mr. Chairman, members of the committee, ladies and gentlemen, I come before you today to present for your examination the 1984-85 spending estimates of the Ontario Ministry of Labour. This is the third occasion upon which I, as minister, have had the honour to present my ministry's estimates.

In the past I have found these deliberations productive in terms of gaining a deeper insight into the interests and concerns that are connected with the ministry's mandate. I look forward to a similarly constructive dialogue during these sessions. I mean that sincerely.

To facilitate the work of the committee, we will have the ministry's senior staff on hand during these proceedings. With us today—he was with us and he will be back in just a few moments—is the deputy minister, Tim Armstrong; the assistant deputy minister for policy and programs, Dr. Alan Wolfson; the assistant deputy minister for industrial relations, Vic

Pathe; the assistant deputy minister for occupational health and safety, Dr. Ann Robinson; the executive director of occupational health and safety division, Brian Goodman; and the executive director of finance and administration, Rita Burak.

I would like at the outset to make some general comments about the economic and social environment that has dictated the ministry's priorities since we last met. I would like to spend a few minutes as well on the emphasis my ministry places on the importance of labour-management-government consultation.

It is now clear that the deep recession of 1981-82 is behind us and that signs of a substantial recovery are becoming more encouraging. In retrospect, there is no doubt that the most recent recession was the severest in 40 years and that its toll on the labour force was very heavy indeed. Several pre- and post-recession statistics Canada-wide may be worth citing to remind us of the depth of the recession and the need to do everything within our power to prevent its recurrence.

It will be recalled that interest rates reached 23 per cent in Canada in mid-1981. Canadian production fell by 6.5 per cent from the spring 1981 peak to the fall 1982 trough. The unemployment rate nationally rose to 13 per cent, with the youth unemployment rate reaching more than 21 per cent. Wage and price inflation remained in the 10 to 12 per cent range until mid-1982. While the recession was worldwide, the impact here was the most severe of any of the member countries of the Organization for Economic Co-operation and Development.

I do not propose to comment on the fiscal and monetary policies which were implemented in an effort to reverse the recessionary trend. Suffice it to say that since the fall of 1982 there have been significant positive changes in most of the key indicators.

Interest rates have fallen below 12 per cent; industrial production increased in the second quarter of 1984 by 9.5 per cent, compared with the second quarter of 1983. The consumer price index in September 1984 was increasing at an annual rate of 3.8 per cent, marginally below the US rate of 4.2 per cent. However, the persisting and deeply troubling feature of the post-recession period has been unemployment, which has remained at or close to nine per cent in Ontario. In that regard, a brief review of recent labour market trends might be in order.

10:20 a.m.

The persistence of relatively high unemployment rates has masked very real success in employment growth over the past year. Following a decline of 104,000 jobs in 1982, 29,000 jobs were created in 1983. Over the past 12 months, employment has increased by 139,000. At the same time, however, the labour force has grown quite rapidly. In 1982, while many jobs were being lost, the labour force actually grew by one per cent. In 1983 this accelerated to 1.4 per cent. Over the past 12 months, it has increased at an even faster rate, and now approaches three per cent.

The aggregate employment performance of Ontario conceals striking differences within particular sectors and component groups of the labour force. For example, between 1981 and 1983, employment in manufacturing declined by 100,000 or 10 per cent. In the resource sector, employment declined by 21,000, also about 10 per cent. At the same time, however, right through the two-year recession, employment in the service sector actually increased. It became more than five per cent higher in 1983 than in 1981. In the 1981-83 period, 60,000 jobs were added to this sector of employment in Ontario.

A similarly uneven picture is revealed by an analysis of the components of the labour force. During the recessionary period from 1981 to 1983, the female labour force continued to grow quickly and expanded by almost five per cent. Over the same period, the male labour force in Ontario grew by less than one per cent.

On the employment front, there was also disparity. Between 1981 and 1983, employment of males declined by 100,000, while female employment actually increased by 24,000. Over the past 12 months we have witnessed a more balanced distribution of employment growth, although the female sector continues to outperform the male sector. During this period of recovery, female employment has grown by 4.1 per cent or 74,000, while male employment rose by 2.7 per cent or 65,000.

We can also detect differences in the employment experience of youth and adult workers in the recent past. Youth unemployment rates, particularly those of young males, increased sharply during the recession. However, during the period of recovery in the past 12 months these rates have declined proportionately more quickly than those of the adult labour force and are near pre-recession levels. Meanwhile, adult rates remain relatively high.

In short, we have a picture of a labour market that is changing shape as well as size. We have

declining and expanding sectors, and new pressures are being placed on the labour market by a rapidly changing demographic profile. Obviously, comprehensive, long-term resolutions to these challenges involve macroeconomic policy initiatives that fall beyond the purview of my ministry. We have taken, and will continue to take, initiatives which can complement the government's overall recovery strategy.

For us, one of the most important contributions is to continue promoting government-labour-management consultations on a broad range of labour market issues. Virtually every industrialized jurisdiction realizes the importance of improved dialogue to minimize preventable, costly conflict. No one pretends, in our free market economy, that the aims and objectives of labour market parties can be fully harmonized. There will always be a conflict. By opening channels of communication and by moving away from reflexive ideological responses, much can and must be done to reduce areas of disagreement.

As McCallum and Barber argued in their persuasive study *Controlling Inflation*, the effectiveness of a country's economic performance bears a demonstrable link with the degree of social consensus amongst its government, business and labour leaders. Compared to many of the other jurisdictions surveyed in the McCallum-Barber study, Canada does not have a strong consensual tradition, nor have we developed the processes through which it might be developed.

My ministry strongly believes that, despite the acknowledged difficulties, we must devise more effective methods for promoting consensus-building institutions and structures. With this objective in mind, we have set in motion a number of initiatives. One of the most important bodies—probably the most durable and least publicized of its kind in Canada—is the Quality of Working Life Advisory Committee, recently renamed to reflect its expanded mandate as the Ontario Labour-Management Study Group.

This group of senior Ontario business and labour leaders has been meeting regularly over the past seven years under the auspices of my ministry. It was responsible for the creation of the Ontario Quality of Working Life Centre, a pioneering body in Canada devoted to promoting new ways of organizing work to ensure both greater employee involvement in decision-making and enhanced efficiency and productivity in Ontario enterprises.

Eighteen months ago, this group was asked by the Premier (Mr. Davis) to broaden the scope of

its work and explore other matters, procedural as well as substantive, which might aid our labour market institutions to adapt to the post-recession environment.

Under its new mandate, the committee has met with a number of Canadian, American and European economists and labour practitioners with a view to developing a better understanding of the public policy instruments and practices available to combat unemployment, promote non-inflationary growth, enhance competitiveness and productivity and ensure that economic sacrifices are borne and economic benefits shared equitably.

It has been my privilege to attend some of these meetings, most recently a two-day session with senior economic policy advisers from the United States, Sweden and the German Federal Republic. What struck me was the serious, informed and civilized way in which these discussions were conducted and the evolving sense of commitment and common purpose exhibited by all participants.

I have no illusions. Meetings do not produce solutions overnight, nor will there be any sudden and dramatic convergence of the views of labour and management. However, we have made a start. At a minimum, meetings of the key leaders produce a greater understanding of opposing viewpoints. From this starting point, the task is to identify areas of agreement and see how common goals can be pursued more effectively.

Against that broad background, I would like to turn to the particulars of the programs of the Ministry of Labour.

The industrial relations program is in the midst of a particularly active year. The volume of collective bargaining activity scheduled is the largest on record in Ontario. Approximately 4,000 collective agreements, covering over 800,000 employees, are expiring this year. Heavy bargaining agendas coincide in the public and private sectors. The effect of the 1982 restraint program was to concentrate expiries in the first nine months of 1984.

In the private sector, agreements have expired or will expire in virtually every major unionized sector of the economy, including steel manufacturing, construction, paper and allied products, meat packing, electrical products, retail food operations and automobile assembly.

Under the Labour Relations Act, employers and trade unions are responsible for fashioning the terms and conditions that will govern their relationship. It is obvious the parties themselves are in the best position to determine bargaining

priorities and to decide whether counterproposals are acceptable. The Ministry of Labour has no desire to intrude when the parties are able to address effectively the outstanding issues on their own. However, even in the best relationships, there are occasions when a third party's assistance may be advantageous.

10:30 a.m.

The programs of the industrial relations division are designed to provide practical assistance to employers and trade unions during the different stages of the collective bargaining relationship. As the members of the committee will know, the Labour Relations Act provides that parties who are unable to resolve their differences must participate in the conciliation procedure before either can resort to economic sanctions. Some critics contend that compulsory conciliation is simply an obstacle parties must surmount before the pressure necessary to stimulate serious bargaining can be exerted. I disagree with this appraisal.

The existence of a compulsory conciliation procedure serves to focus the parties' attention on outstanding differences before they are actually confronted with the prospect of a work stoppage. Conciliation has proved to be particularly useful in negotiations involving smaller employers who may be unfamiliar with the collective bargaining process and who may be guided towards a settlement by the conciliation officer's expertise. At the least, an effective conciliation session will clarify and perhaps narrow the scope of the dispute.

Mediation assistance is offered by the ministry to parties who complete conciliation without reaching a settlement. In contrast to conciliation, mediation is entirely voluntary and occurs at a time when the parties are exposed to the prospect or reality of a work stoppage. It is the mediator's role to assist the parties during this period of urgency to translate their bargaining objectives into a mutually acceptable settlement.

The 1984 bargaining schedule has caused a significant increase in the case load of the Ontario conciliation and mediation service. Data for the period January to June indicate officers have been appointed in more than 1,900 conciliation cases, compared with 1,500 appointments in the corresponding period in 1983. Mediation appointments have also increased from 435 in the first half of 1983 to 460 in the first half of this year.

Despite the high level of bargaining activity, the number of strikes in the first six months of 1984 and the resulting total of person-days lost

compare favourably with the figures for the preceding few years.

Aside from its traditional role in the resolution of collective bargaining disputes, the ministry also provides mid-contract assistance in the form of its preventive mediation program. Preventive mediation is based on the principle that many difficulties may arise between employers and trade unions which cannot be addressed effectively at the bargaining table.

Preventive mediation is intended to afford parties the opportunity to address such problems during the life of their collective agreement. A preventive mediation initiative may include assistance in establishing a joint labour-management committee, joint steward-supervisor training in contract administration or a comprehensive relationship-by-objectives exercise intended to address more profound relationship problems. In the fiscal year 1983-84, preventive assistance was provided by staff of the Ontario conciliation and mediation service in 52 situations.

The second major program area in the industrial relations division is contained in the office of arbitration. The office of arbitration is responsible for assisting the minister to perform his various statutory responsibilities for the appointment of adjudicators under the Labour Relations Act, the Hospital Labour Disputes Arbitration Act, the Employment Standards Act and the Human Rights Code.

In previous years, I have referred to the success of the expedited grievance arbitration procedure administered through the office of arbitration. As the members will recall, the expedited procedure was introduced in 1979 in response to the serious delays experienced in resolving work place disputes. Prior to the amendment, the data indicated an average of eight months was spent in processing a grievance to the final disposition of an arbitration award. It was generally recognized that delays of this magnitude created frustration and exerted a destabilizing influence on the quality of day-to-day relations in the work place.

The expedited procedure now found in section 45 of the Labour Relations Act permits either party to request the minister to appoint a single arbitrator to hear and decide a grievance dispute within 21 days of the initial request. Prior to the date set for the hearing, this section confers discretion on the minister to appoint a grievance settlement officer to explore the possibility of a voluntary settlement. In the event that a hearing is required, the office of arbitration will closely

monitor the progress of the arbitration proceeding to encourage a timely release of the award.

The total volume of activity under section 45 of the act is testimony to its growing acceptability in the labour-management community. To illustrate this point, I note that in the fiscal year 1979-80, 25 requests were received. In the following fiscal year, the total increased to 468. In the fiscal year 1981-82, 1,370 applications were received. In the past fiscal year, the case load reached 2,342.

Perhaps the most novel feature of the expedited procedure is the function of the grievance settlement officer. Officers in the vast majority of cases have contributed, and continue to contribute, to an impressive rate of settlement. Last year, settlements were achieved in 66 per cent of cases assigned to officers.

The attractiveness of the grievance mediation concept is reflected in the fact that many parties, although not choosing to process a particular grievance to arbitration under this section, have none the less voluntarily requested settlement assistance. The level of settlement in disputes for which the parties have jointly requested assistance, outside section 45 of the act, is in the range of 85 per cent.

The advantages of the grievance settlement service are quite obvious. First, parties may avoid the cost of arbitration. Second, the mediation process offers employers and trade unions a further opportunity to address the dispute objectively and to arrive at their own terms of settlement. I think most will agree that a mediated settlement is preferable to an adjudicated result because of both the greater flexibility of possible solutions and the greater binding force of an agreed settlement.

As I have indicated, the office of arbitration also fulfils an important duty in co-ordinating the appointment of arbitrators under the Hospital Labour Disputes Arbitration Act, of referees under the Employment Standards Act and of commissions of inquiry under the Human Rights Code. The identification of competent adjudicators who are available to act within a reasonable period is critical to the administration of all of these statutes.

Before I proceed to the next program area, I want to refer briefly to the amendments that were made last spring to the construction industry provisions of the Labour Relations Act.

Following the third round of provincial bargaining in the industrial, commercial and institutional sector of the construction industry, I received representations from many different

organizations representing contractors and building trade unions, proposing various changes to the relevant provisions of the Labour Relations Act.

All these submissions were referred to the Construction Industry Advisory Board, a panel of senior business and labour representatives from the industry, for its comments. The ministry's analysis of these various representations led me to believe that certain amendments to the construction industry provisions of the Labour Relations Act were necessary and desirable.

The amendments, which took the form of Bill 75, were intended to achieve the following objectives: to facilitate the expeditious enforcement of arbitration decisions; to clarify the authority of the Ontario Labour Relations Board to grant relief where an unlawful work stoppage occurs; to establish a particular procedure by which relief may be obtained where an unlawful agreement is being concluded outside the scope of provincial bargaining; and to ensure that only those tradesmen and contractors with a direct interest participate in strike and ratification votes in the industrial, commercial and institutional sector of the construction industry.

I believe the above changes will serve to strengthen the province-wide bargaining system.

As the members may know, during the past year I have received representations from many individual contractors, contractors' associations and building trade unions on the subject of subsection 1(4) of the Labour Relations Act. Many unionized contractors claim they are experiencing serious problems in competing with nonunion firms in their traditional markets. The solution that has been proposed is an exemption for the construction industry from the related employer provisions of the Labour Relations Act. In turn, building trade unions and individual tradesmen have written to me, urging the strengthening of subsection 1(4) to protect their own legitimate interests.

Together with members of my senior staff and the construction industry advisory board, I have devoted a great deal of attention to this issue. We have considered a wide range of options that might respond to the concerns of the unionized contractor and not compromise the position of the building trade unions in Ontario.

The issue is extremely complex, and no decision has yet been made to proceed with changes of any kind. In fact, we are now exploring the feasibility of conducting a comprehensive survey of construction industry trends in

the province over the past few years. Such information, if it can be gathered without undue cost or delay, will be of great assistance in assessing the various policy options that are available.

10:40 a.m.

As honourable members are aware, the act is administered by the Ontario Labour Relations Board, and I would like to direct the committee's attention to it for the next few minutes.

The board was established in 1944 as a tripartite administrative agency to oversee the collective bargaining structure regulated by the Labour Relations Act. It utilizes the skills and experience of both management and labour, demonstrating both constituencies' ability to communicate and work together in resolving labour disputes.

In this controversial area, where adversarial attitudes are rife, it is interesting to note that the vast majority of the board's decisions are unanimous. The representatives of both management and labour, through their appointments to the board and their commitment to working together towards achieving a thriving collective bargaining environment, make an invaluable contribution to the people of this province.

The first step of the board is to attempt to facilitate settlement of a case where appropriate. The second step is to adjudicate cases in a fair and impartial manner, consistent with the principles of due process that apply to the adversarial system of dispute resolution. The board's ultimate goal is to process and resolve all cases as quickly, efficiently and fairly as possible. It is committed to treating the parties to the proceedings before it in an impartial and evenhanded manner.

The board comprises a chairman and 20 full-time and 26 part-time vice-chairmen and board members, all appointed by the Lieutenant Governor in Council. It usually sits in panels of three: one representative of management, one representative of labour and the neutral chairman or vice-chairman. On certain matters, the chairman or a vice-chairman may sit alone. It is common for seven or eight panels of the board to be sitting simultaneously, often in different parts of the province.

In addition to its legal and clerical staff, the board employs three senior labour relations officers under the direction of a manager of field services and 14 labour relations officers whose primary function is to settle labour relations disputes, thereby avoiding the necessity of litigation in formal hearings.

In the fiscal year ended March 31, 1984, the board received a total of 3,135 applications and complaints, an increase of 373 cases or 14 per cent over the 2,762 filed in the previous year.

Applications for certification by trade unions to represent groups of employees as bargaining agents increased by 113 cases or 15 per cent. Increases in certifications tend to have a ripple effect on case loads in other areas as more parties become qualified to resort to board proceedings.

Complaints that a section of the act had been contravened increased by 148 cases or 20 per cent. Grievances under the construction industry provisions of the Labour Relations Act, the third major category of matters before the board, decreased by seven cases.

In addition to the record number received, 409 were carried over from the previous year, making a total case load of 3,544 in the 1983-84 year. Of that total, approximately 79 per cent or 2,797 of those cases were disposed of during the year in question. In 213 of the cases, the parties requested that the matter be adjourned without a fixed date for resumption. The remaining 534 cases were still pending at various stages in the process as of March 31, 1984.

During the past fiscal year, the board received 32 complaints under section 24 of the Occupational Health and Safety Act, alleging wrongful discipline or discharge of employees for exercising their rights under that act. Section 23 permits employees to refuse to perform work if they reasonably believe it unsafe. Complaints that this section and the protections it affords have been violated are dealt with by the Ontario Labour Relations Board.

Of the 32 complaints filed and the six matters carried over from the previous year, 22 were settled or withdrawn by the parties in consultation with the labour relations officers, three were granted and three were dismissed by the board, with the remaining cases still pending as of March 31, 1984. As with collective bargaining matters, the labour relations officers play a vital role in assisting labour and management to resolve their health and safety disputes amicably and voluntarily.

The board also plays a role where there are disputes under certain sections of the Colleges Collective Bargaining Act and, in this regard, entertained six applications during the past fiscal year. Three of those cases were withdrawn or settled as of March 31, 1984, and the other three are pending.

In unlawful strike cases, the board seeks to schedule a hearing at the site of the strike within

48 hours of a complaint. It appears that the prospect of speedy board intervention has in itself provided an incentive to settle the dispute or at least to refrain from the unlawful activity.

The average case load for the full-time vice-chairmen and chairman rose from 266 in the previous year to 322, an increase of more than 20 per cent.

As heavy as this work load and output may seem, it must be noted that a great deal of the board's day-to-day disposition is accomplished through the mediation and settlement efforts of its field staff, the labour relations officers. In 1983-84, the board's officers were assigned a total of 2,029 cases, approximately 57 per cent of the board's total case load. Where officers were able to take an active role, settlements were obtained in 85 per cent of the cases.

This figure demonstrates the efficiency of this aspect of the board's programs and illustrates the board's understanding of the collective bargaining realities and its commitment to promote, where possible, harmony and co-operation between the parties.

In the same vein, in 62 per cent of the 222 certification applications assigned to labour relations officers, they were successful in having the parties agree to the disposition of the application without the necessity of a formal board hearing. Unfortunately, it appears the cases that were not settled have become increasingly complex. They pose difficult legal and factual issues and require, on occasion, lengthy hearings. The board regularly convenes pre-hearing conferences and monitors the process of the litigation to ensure that no opportunity for settlement is lost.

A median time of 29 days was taken to process the 2,797 cases disposed of in 1983-84, compared with a median of 27 days in the previous year. I am pleased to report that more than 82 per cent of all dispositions were accomplished in three months or less, and cases requiring more than six months to complete actually dropped to 195 from 199 in the previous year. This trend of increasing numbers and complexity of case load has continued subsequent to the March 31, 1984, fiscal year-end.

During the current year, key personnel changes have occurred at the board. George W. Adams, QC, resigned as chairman as of April 30, 1984. An acting chairman, Bob Howe, took over from Mr. Adams and ensured that the board continued to function properly. The new chairman, Judge Rosalie S. Abella of the Ontario family court, took office on September 19, 1984.

There has been some changeover as to other adjudicators, which has had an effect on processing cases at the board. This changeover in personnel and the continually increasing case load have meant cases are not being disposed of as promptly as in the past.

During the past fiscal year, applications for judicial review of decisions of the Ontario Labour Relations Board were filed in respect of 12 decisions. Those matters have not as yet been heard by the court. Coupled with three previously pending matters, there are 15 applications for judicial review currently outstanding. This number is explained in part by the parties' increased reliance on grounds based on the Charter of Rights and Freedoms. The charter has added a new dimension to litigation before both the board and the courts. It is one facet of the increasing complexity of issues before the board.

The board fulfils its primary function of resolving problems that arise under the Labour Relations Act not only through the adjudication and settlement process but also by providing information about rights and obligations under that act to trade unions, employers and the public. Pamphlets in several languages are available in ministry offices across the province. The Guide to the Labour Relations Act, published by the board, has proved quite successful and useful, and a new edition is currently at the publishers.

10:50 a.m.

The board continues to publish a monthly report of decisions, an annual report of the year's activities and highlights and a short, monthly newsletter detailing recent major cases and developments. It is through such mechanisms that the board ensures its programs and processes are accessible to the public.

I would now like to deal with programs administered by the occupational health and safety division of the Ministry of Labour.

In my view, the development and administration of sound and equitable laws and programs to protect the health and safety of employees while at work is one of the most challenging issues facing government today. I believe the programs instituted and being developed by my officials are meeting that challenge.

It is important to take account of the historical background of the current approach to occupational health and safety in Ontario. In October 1979, the Occupational Health and Safety Act was proclaimed. This act brought together the existing provisions of previous statutes and a number of new provisions, including the estab-

lishment of mandatory joint health and safety committees in many work places, the right of workers to refuse to perform unsafe work, the right of worker representatives to accompany inspectors, worker access to health and safety information and provisions for the control of toxic substances. In addition, a comprehensive set of industrial, construction and mining regulations was promulgated.

The main theme of this legislation, based on the principles stated by Dr. Ham in the report of the Royal Commission on the Health and Safety of Workers in Mines, is that an effective occupational health and safety program requires employers and their workers to assume joint responsibility by adopting mutually reinforcing roles. The recent report of the Royal Commission on Matters of Health and Safety Arising from the Use of Asbestos in Ontario endorsed this approach as both desirable and practical.

The act and regulations place responsibilities upon employers and give powers and duties to workers that allow them to participate in developing protective and effective health and safety programs in the work place. Employers are held accountable for workers' health and safety, and the role of the ministry is to administer and enforce the legislation.

The ministry performs a number of functions, including the carrying out of inspections and the investigation of work refusals and accidents. Ministry officials also audit the effectiveness of the internal responsibility system by reviewing health and safety committee minutes and by discussing outstanding problems with both workers and company representatives. Orders, including those to stop work, are issued when required and prosecution is considered and initiated for serious infractions or persistent disregard of the statutory provisions.

Members will be interested to know that the act applies to approximately 3.2 million workers in at least 167,000 working establishments. In the light of these statistics, one realizes that even with increased human resources, it is impractical and unrealistic to expect government to do more than periodically audit the operation of the internal responsibility system.

I continue to believe that only through labour and management co-operation, as opposed to confrontation, can health and safety problems be addressed in a thorough, efficient and equitable manner. There is of course a role for the government to play in this process, both in enforcing the existing legislation and in pro-

moting health and safety measures in the work place.

I have no doubt that the Occupational Health and Safety Act is a strong and progressive piece of legislation. There will always be room for improvement, but I believe significant progress has been made in countless work places across the province since the enactment of the legislation.

As I indicated earlier in my speech, the development of occupational health and safety legislation in the province was greatly influenced by the report of the Royal Commission on the Health and Safety of Workers in Mines. In May 1984, another important document, the report of the Royal Commission on Matters of Health and Safety Arising from the Use of Asbestos in Ontario, was tabled. I would like to take a few moments to discuss the origin of the royal commission and its major recommendations.

In April 1980, my predecessor, now the Minister of Consumer and Commercial Relations (Mr. Elgie), announced in the Legislature that he had appointed a royal commission to investigate matters of health and safety arising out of worker exposure to asbestos. Three commissioners were appointed: Dr. Stephen Dupre, chairman, Dr. Fraser Mustard and Dr. Robert Uffen. The commission was given the following mandate:

1. To investigate all matters relating to health and safety arising from the use of asbestos in Ontario;

2. To identify the relevant data related to asbestosis, mesothelioma and other diseases and health hazards associated with worker exposure to asbestos;

3. To review the present basis for Workers' Compensation Board awards as they relate to occupational health matters affecting workers exposed to asbestos, including any special programs dealing with the rehabilitation of such workers; and

4. To make such recommendations as the commission deemed appropriate.

During the course of its existence, the commission received advice from workers and their representatives, employers and their associations and government representatives from Sweden, the United Kingdom, the United States and Canada. About half the witnesses were scientists, constituting an international Who's Who of experts on the effects of asbestos on health. The commission's hearings consumed 53 hearing days, resulting in 8,378 pages of oral presentation and sworn testimony. Also, 12

research studies were commissioned and 88 written submissions were received.

On May 7, 1984, I tabled the report of the royal commission in the Legislature. Since that time, extensive work has gone into reviewing the 113 recommendations put forward by the commission. The occupational health and safety division established task teams or assigned individuals to review groups of recommendations. The resulting reports were then presented to the division's legislative review committee for consideration. In addition, an interministerial committee was established with representation from the ministries of Health, Environment, Consumer and Commercial Relations, Municipal Affairs and Housing and Education to co-ordinate responses across the government.

One of the first recommendations acted upon by my ministry involved the preparation and distribution of notices concerning the control of asbestos exposures in brake shops and during the repair of asbestos-insulated pipes and boilers. Notices were prepared and mailed to approximately 37,000 employers and workers during the week of June 25, 1984.

The royal commission also recommended that a notice be mailed to home owners to instruct them on the proper precautions to take in the event that friable asbestos material is found in and around furnaces and pipes. The Ministry of Labour prepared such a notice and sent a copy to the Ministry of Municipal Affairs and Housing for consideration. The Minister of Municipal Affairs and Housing (Mr. Bennett) replied positively to this initiative. He also offered to include the note in his ministry's weekly newsletter to municipal clerks so they would obtain sufficient copies to include in their mailings to home owners. The division is now preparing the appropriate insert.

The occupational health and safety division's legislative review committee has met on a number of occasions to consider the recommendations of the royal commission dealing with asbestos in construction; enforcement and training; exposure values and measuring techniques; medical surveillance; and the respective roles of the Ministry of Labour advisory committee on chest diseases and the outreach program administered by the Workers' Compensation Board. Other recommendations are currently being reviewed by the Workers' Compensation Board itself and by the interministerial committee.

I found it encouraging, and said so when I tabled the report, that the commission found our asbestos regulation to be "one of the most

stringent of any jurisdiction in the world." I should also point out that the commission expressed strong support of the concept of the internal responsibility system. This concept, as I have indicated, is at the heart of the Occupational Health and Safety Act.

One of the major responsibilities of the occupational health and safety division is the enforcement of the Occupational Health and Safety Act and regulations. While I take heart from the recent endorsement by the Royal Commission on Matters of Health and Safety Arising from the Use of Asbestos in Ontario, I am also cognizant of the continuing effort needed to improve our delivery program.

This past year the occupational health and safety division initiated a number of programs to enhance the enforcement and administration of the Occupational Health and Safety Act. These initiatives include improving methods of identifying and inspecting new companies; improving the communication of information about hazards to employers, workers and our inspectors; enhanced division-wide policy and procedures, including those pertaining to prosecutions and the recommendations of coroners' juries; and a participatory approach to policy and procedure development within the division.

11 a.m.

The ministry was criticized in the Legislature for not having a systematic method of identifying and inspecting new companies that are established in the province. It was a valid comment. The division is addressing this matter by obtaining, on a periodic basis, a list of new registrants from the Workers' Compensation Board. The industrial health and safety branch is, in tandem, developing a registration and inspection strategy for new companies under its jurisdiction and refining a program to monitor the internal responsibility system and enforce the legislation in those work places. Because of finite resources and the large number of new companies that commence business every month, the initial focus of the system will be on those that employ workers in hazardous occupations.

The mining health and safety branch has developed training material for inspectors, supervisors and workers in the form of regulation modules that deal with the act and mining regulations. The sound and slide programs are available through the Mines Accident Prevention Association of Ontario. Labour, management, government and MAPAO collaborated to develop them. So far, more than 30 components

of the regulations have been covered, including such topics as explosives storage, shaft sinking, ground control and underground ventilation. The final stage of this project, which involves the preparation of nine new modules, should be completed by the end of July 1985.

The positive reception given to a videotape prepared by the division on the isocyanates regulation by both the ministry inspectorate and the advisory council has prompted my officials to establish a video production unit in the standards and programs branch. Its mandate includes developing training materials for the inspectorate. The unit will be able to deliver high-quality, practical videotape and slide-tape productions to be used in training ministry inspectors and in providing information to parties in the work place. In addition to isocyanates, programs on silica, benzene, machine guarding, bulk sampling and air sampling have already been prepared by the unit. Other productions are in progress.

For its part, the industrial health and safety branch has disseminated hazard alerts on such matters as waste shredder compactors, carbon monoxide fumes in arenas, "hang-up trees" and spring brakes.

Mr. Mancini: You are going to tell us what hang-up trees are, are you not?

Hon. Mr. Ramsay: I was afraid you would ask that question. Would you mind holding it until the end?

Eleven communiqués were developed to alert the parties in the work place to hazards that have given rise to serious accidents in the past and to measures by which similar accidents can be prevented. Earlier this year the division staff prepared a hazard alert setting out the risks associated with work on elevated platforms.

I will be discussing at greater length the activities of the division's task force on window cleaners. Perhaps Mr. Mackenzie would be good enough to point out this section to Mr. Wildman. He has a particular interest in this, and I was hoping he would be here today for this portion.

At this stage, I wish to note that the responsibility for inspecting establishments where window cleaning is conducted has been given to the construction health and safety branch. The branch has hired an individual with particular experience in the window cleaning trade to help co-ordinate inspection and training activities within the branch.

Let me turn briefly to the subject of prosecutions. I should note that during the past fiscal year, the division developed and put in place a

policy to ensure that the three line branches employ common criteria in determining whether a prosecution should be recommended. In close collaboration with the legal branch, the division is also finalizing a division-wide prosecution procedures policy.

I understand there were 398 prosecutions completed in the 1983-84 fiscal year, compared with 324 in 1982-83. In addition, there were 329 cases in which convictions were recorded in 1983-84, compared with 260 in 1982-83. Since the Ontario Court of Appeal emphasized in the Cotton Felts decision that the quantum of fines must be substantial enough to serve as a deterrent, there has been a steady increase in the penalties imposed by the lower courts on offenders under the Occupational Health and Safety Act.

Fines against employers convicted of contravening the act and the industrial establishments regulation have risen from an average of \$2,787 in 1982-83 to \$3,398 in 1983-84. Not only has the average fine against employers increased, but also the courts have continued to impose substantial fines where circumstances so warrant.

The process whereby the ministry responds to the recommendations put forward by coroners' juries involves matters of both administration and enforcement.

Under the provisions contained in the Coroners Act, an inquest must be held where a worker has died as a result of an accident occurring during the course of his employment either in a mine or on a construction project. Where a fatality takes place at an industrial work site, the decision to hold an inquest will be made by the local coroner once he or she has weighed all the considerations set out in the Coroners Act. I have made it clear, both to my colleagues in the Legislature and to the public, that I favour compulsory inquests whenever an occupation-related death occurs, regardless of work place.

Where a coroner's inquest is held, ministry officials are normally present to provide any information that is requested. The evidence tendered is based on the facts and findings obtained during the course of the ministry's investigation.

Once a copy of the jury's verdict is received by the ministry through the office of the chief coroner, the relevant line branch of the division commences a detailed evaluation, including a follow-up visit to the company in question. An inspector or other branch official will meet with the employer and with worker representatives to

discuss the recommendations put forward by the jury, as they relate to the employer, and to determine what actions should be taken at the work place to implement the recommendations.

At this juncture, I should remind members of the committee that jury recommendations in some cases go beyond the requirements contained in the Occupational Health and Safety Act and regulations. Although the inspector can determine whether the employer has implemented the recommendations, and the ministry can so report to the chief coroner, the inspector is unable to secure compliance with the recommendations by the issuance of an order unless there has been a contravention of the legislation.

I also wish to point out that although there is no statutory requirement for the Ministry of Labour to respond to or follow up on the recommendations of coroners' juries, this course of action is taken as a matter of policy.

I would like to say a few words about the timing of responses to a coroner's jury recommendations. The question of when a response may be released depends on whether a prosecution has been or may be initiated by the Ministry of Labour under the Occupational Health and Safety Act. You may know that the act establishes a one-year limitation period for prosecutions.

In the situation where a decision has been made not to lay charges, the response can be distributed as soon as it has been prepared and reviewed by senior ministry officials. However, where a decision has not yet been made by the ministry on whether to prosecute, a response to the jury's recommendations is not provided until such a decision has been rendered. Forwarding the responses in advance of a decision to prosecute could prejudice the outcome of the trial if charges are brought.

Where ministry officials ultimately decide to lay charges, the response to recommendations will be withheld until after the presiding judge has disposed of the charges before him.

I wish to emphasize that, following the receipt of the jury's recommendations, the appropriate line branch, be it industrial, construction or mining, carefully reviews the recommendations and visits the work site in question. This is done without waiting for the decision on prosecution to be made. It should be noted, however, that in the construction sector, work on a project may have been completed before the follow-up visit can take place.

The follow-up visit is designed, first, to determine whether any orders issued following

the fatality have been complied with, and second, to monitor the employer's implementation of the coroner's jury recommendations. In this respect, the transmittal of the ministry's response may be thought of as a formal act which to a large extent summarizes actions that have already been taken or are intended to be taken by the parties in the work place and by the ministry.

I would now like to comment on the policy of the Ministry of Labour with respect to the distribution of its responses to a coroner's jury recommendations. The ministry's position is, in short, that its responses should be made available to a wide audience so that the parties will be in a better position to prevent the recurrence of similar types of fatalities in the future.

11:10 a.m.

Since June 21, 1983, when I made a statement in the Legislature on this subject, responses to a coroner's jury recommendations have been forwarded to the employer involved, the joint health and safety committee, the Ontario Federation of Labour and the relevant accident prevention associations.

It should also be pointed out that in the construction and mining sectors, jury recommendations and responses provided by the ministry are shared with the provincial labour-management health and safety committee of the construction industry and the mining legislative review committee.

In addition, the legislative review committee of the occupational health and safety division both considers and provides advice on proposed amendments to the act or regulations arising from the recommendations of a coroner's jury. Hazard alerts, where appropriate, will also be prepared and distributed by ministry officials.

The steps that have just been summarized are designed to ensure that recommendations relating to individual fatalities will have a province-wide impact. The objective is, of course, to avert similar occurrences in the future.

The occupational health and safety division attaches considerable importance to the process of responding to a coroner's jury recommendations. This fact becomes clear when one considers that five separate senior officials within the division review, and ultimately approve, the final version of a response to be submitted to the chief coroner. The process also provides senior ministry officials with the opportunity to bring their particular fields of knowledge to bear on individual responses. The care and time taken to prepare the responses is reflected in the quality of the documents that are produced.

There are a number of points that Ministry of Labour officials consider in responding to recommendations put forward by coroners' juries. Among these are the following:

1. What steps has the employer taken to implement the coroner's jury recommendations? Do ministry officials consider these steps adequate?

2. Have orders been issued arising out of a fatality, and has there been compliance with these orders?

3. Are the recommendations that have been submitted sensible? Are they capable of being implemented on the work site and in other work places?

4. Are there provisions contained in the Occupational Health and Safety Act and accompanying regulations that adequately address the concerns of the jury?

5. If such provisions are absent or inadequate, should consideration be given to amending the legislation?

6. Is there a better method of addressing a particular concern than the approach suggested by the coroner's jury? If so, should an alternative approach be adopted?

7. Are the recommendations that have been put forward applicable only to the work place in which the fatality occurred, or could they apply more generally to an entire industry? Where recommendations have an industry-wide impact, what is the best strategy to communicate information about the recommendation and suggested remedial action to the parties in the work place?

8. Should a hazard alert be disseminated?

9. Should other organizations be contacted for advice before the ministry's response is finalized?

10. How do the recommendations put forward by the jury promote the objective of labour-management co-operation in the resolution of work place health and safety problems?

To summarize, the response provided by the Ministry of Labour is designed to address the recommendations listed by the coroner's jury as they apply both to the work place where the fatality occurred and to other job sites. The response will also set out the steps that the employer has taken to implement the jury's recommendations and the actions taken by Ministry of Labour officials, including action to ensure compliance with the legislation.

The experience of the occupational health and safety division has been that the recommendations put forward by coroners' juries are often

constructive. It must also be recognized, however, that juries are composed of laypeople who do not have particular expertise in the field of occupational health and safety. In this respect, there is a need to strike a balance between the often perceptive observations of laymen on the one hand and the collective experience of labour, management and Ministry of Labour officials on the other.

Before leaving this area, I wish to point out that the chief coroner's office also forwards to the Ministry of Labour copies of coroner's jury verdicts that fall outside the jurisdiction of the provincial government; for example, fatalities that occur in railway yards. While the Ministry of Labour does not investigate these accidents, comments on the recommendations put forward by juries are none the less provided. The Ministry of Labour's policy in this regard reflects the belief that all government agencies must work together to minimize the risk of accidental death in the work place.

It should also be noted that the Ministry of Labour's involvement with respect to individual fatalities does not end once a formal response has been provided to the chief coroner. The work place in which the accident occurred will continue to be inspected regularly, and the implementation of the jury's recommendations will be monitored.

On a related point, representatives from the coroner's office or other parties who attended the inquest have on some occasions asked the Ministry of Labour to clarify or elaborate on the responses provided. In other cases, parties may seek supplementary information. My officials are pleased to co-operate with all parties at this stage of the process.

I believe the policies and procedures put into place within the division for responding to jury recommendations are both thorough and responsible.

Let me comment briefly on some of the steps taken to improve administration within the division.

In May 1984, the executive committee decided to form six standing committees, with representation from field staff to provide practical input for the development of division-wide policy and legislation. These committees report to the division's legislative review committee on matters concerning legislation and to the division's executive committee on matters of policy. The committees meet in response to particular referrals from senior division staff, and their

work is expected to enhance the quality of decisions concerning policy administration.

The committee system has also been designed to allow for flexibility in membership so as to reflect the particular issues that need to be addressed.

The six committees deal respectively with the responsibilities and rights of constructors, employers, supervisors, workers, owners and suppliers; the rights and responsibilities of joint health and safety committees and worker representatives; the administration and enforcement of the Occupational Health and Safety Act and regulations; biological, chemical and physical hazards; sector regulations; and medical surveillance.

Some of the issues that have been referred to the standing committees include policies for carrying out inspections, prosecution procedures and the development of a core regulation for extended-coverage work places.

The ministry is committed to operations improvement and consistency between branches in delivering services to client groups. In this respect, I should note that a line branch operations improvement task force has been formed to review those areas of branch operations that are common, so that these areas can be made more consistent where this is determined to be appropriate. Each line branch is represented in this group.

Other work in progress involves the development of division-wide policies on orders, appeals and the investigation of complaints.

During last year's estimates debate, I referred to a report of the NDP task force on health and safety in the work place entitled *Not Yet Healthy, Not Yet Safe*. I also offered to have senior division staff meet with the task force or its representatives to discuss in more detail the recommendations put forward.

I am pleased to report that two constructive meetings were held between ministry officials, task force members and senior labour and management officials. I was present at both meetings. I believe this exercise assisted all parties to comprehend more fully a number of complex occupational health and safety issues. Division staff were able to share with the task force some of the initiatives taken both prior and subsequent to the release of this report.

Mr. Mancini: You did not offer to have meetings on the Liberal Party's youth employment paper, which I presented to the committee last year. I wish to have that noted in the record.

Mr. Gillies: It was such a poor report.

Mr. Mancini: Most of it has been implemented.

Hon. Mr. Ramsay: I do not believe that report would fall directly under my ministry; another ministry might be more appropriate.

Mr. Mancini: I see.

Hon. Mr. Ramsay: I do not want you to think we ignored or overlooked you, or played favourites or anything of that nature.

11:20 a.m.

Ways in which health and safety programs might be improved were also explored during the discussions. Some of these initiatives include:

Extension of the act to cover teachers in March 1984 and university academics in July 1984. Work is in progress on a regulation for educational institutions;

Development of a division-wide prosecution policy, which came into effect in the fall of 1983;

Institution of time limits for compliance with orders in the industrial sector;

Encouragement by worker as well as employer representatives to sign and comment on letters of compliance to ensure that all workers are informed of compliance. This was fully implemented in November 1983;

The semi-annual publication, since April 1982, of summaries of edited legal opinions. The present distribution includes, among others, the Ontario Federation of Labour, the Council of Safety Associations of Ontario, individual safety associations, the advisory council, the Ontario Chamber of Commerce and the Canadian Manufacturers' Association, plus those individuals who have requested such summary opinions.

I made a commitment at the conclusion of these meetings to respond in writing to the task force on each of the recommendations. My reply is being finalized. Had it not been for these estimates, it would have been out by now, but it will be sent out shortly.

I am not asking the member for Hamilton East (Mr. Mackenzie) to be the messenger boy, but there are various things in my statement today that would be of interest to the member for Sudbury East (Mr. Martel) as well. Perhaps the member could refer him to the report.

Mr. Mackenzie: He will be going over it by tomorrow.

Hon. Mr. Ramsay: Fine. One issue raised during our meetings with the task force was that of reprisals against workers. As members may know, section 24 of the Occupational Health and Safety Act prohibits employers from taking

punitive actions against workers for exercising their rights and responsibilities under the legislation. Particular remedial procedures are also set out in this section.

The division has recently developed a card, with sections addressed to both workers and employers, designed to assist them to gain a better understanding of their obligations and remedies. I have the card here, and copies have been distributed to members. The card contains helpful information in seven languages and will be distributed routinely during work refusal investigations.

Some occupational health and safety issues necessarily involve other ministries and levels of government. In this respect, I believe it is important and necessary for us to work co-operatively with other agencies where required, and I would like to share with members some of our efforts in this area.

The Royal Commission on Matters of Health and Safety Arising from the Use of Asbestos in Ontario recommended that governments in Canada establish, in concert, an agency whose mandate would be to identify hazards and assess risks on an ongoing basis. The government of Ontario was urged through federal-provincial mechanisms to take the lead in the creation of such an agency to serve this national purpose. Through the ministry's participation on the Federal-Provincial Advisory Committee on Environmental and Occupational Health, discussions with respect to this recommendation have commenced.

In September 1984, at my instigation, the ministers responsible for occupational health and safety across Canada met in Toronto. The meeting was the first of its kind, and I was accorded the privilege of chairing it. The theme for the meeting was the major challenges of the 1980s with respect to occupational health and safety. These were identified as the movement towards the use of performance-objective rather than detail-specific regulations; the manner in which workers are provided with information relating to the particular problems or hazards in the work place; the particular problems encountered by small businesses; the need for improved interprovincial co-operation and communications; and the identification of research needs in occupational health and safety.

We were able to exchange information and to affirm the intent to continue this exchange to our mutual benefit and avoid unnecessary replication of effort. I should add that the strategic policy unit within the division is actively considering

the implications of these issues for Ontario and the action that might be initiated.

In Ontario, new legislation such as the Health Promotion and Protection Act and greater public awareness of health and safety issues have increased the need for regular liaisons between the ministries of Labour, Health and the Environment. To achieve this objective, informal meetings are held between the relevant deputy ministers. These sessions provide a forum for discussions and establish mechanisms for problem-solving. The program for radon abatement in the homes of uranium miners in Blind River is one example of an initiative promoted and co-ordinated through this mechanism.

There are also regular meetings between Dr. Robinson and the assistant deputy ministers of public and mental health and environmental planning on issues of mutual interest. The past activities of this group are partially reflected in the drafting of sections 11 and 12 of the Health Protection and Promotion Act. In addition, a staff liaison committee, reporting to the assistant deputy ministers' committee, meets regularly to address, in a timely and appropriate manner, all issues referred to it for action. Membership on this committee has been enlarged to include the chief medical officer of health.

In some instances, more formal accords have been developed between ministries. For example, following an investigation by the medical officer of health and safety of the ministries of Health and Labour, with the assistance of the Centers for Disease Control in Atlanta, Georgia, of an outbreak of flu-like symptoms at the Ford engine plant in Windsor in August 1981, a formal protocol was developed between the ministries of Health and Labour and medical officers of health with respect to the investigation of outbreaks of illness in the work place.

The protocol sets out avenues of communication and levels of responsibility within each organization. The Ministry of Labour will shortly discuss the protocol with staff representatives of the United Auto Workers union, whose members at the Ford plant were affected. A training program for staff of the ministries of Labour and Health is in preparation to ensure that arrangements are understood and that the proper lines of communication between the parties are established.

A further accord is being developed between the ministries of Labour, Health and the Environment to establish procedures to be followed when

investigating a complaint brought under the Health Protection and Promotion Act.

Another example of interministry co-operation involves the updating of the prescribed burn procedure by the ministries of Natural Resources and Labour. Prior to the 1983 fire season, the Ministry of Labour's industrial health and safety branch worked with its sister ministry to include involvement of Ministry of Labour inspectors in written procedures and attended actual burns to ensure that there was compliance with the Occupational Health and Safety Act. The Ministry of Natural Resources trained seven Ministry of Labour inspectors for the inspection of prescribed burns. These inspectors did participate during the 1984 fire season, and involvement by ministry officials will be an ongoing activity.

There are also informal mechanisms for the co-ordination of inspections or investigations between ministries. When an accident occurs, local inspectors of the Ministry of Labour consult with their managers and branch directors to make the necessary arrangements with staff of other ministries. Examples of past investigations, involving several ministries, include chemical spills, concerns about waste disposal sites and boiler explosions.

The Ministry of Labour has provided advice to the Ministry of the Environment on the proposed PCB mobile waste destruction unit. My officials have also prepared numerous environmental and health effects documents for sister ministries. In addition, the Ministry of Labour provides consultative services to the Ministry of Municipal Affairs and Housing for the measuring of radon gas in Elliot Lake homes. The assistant deputy ministers' committee and the interministerial committee on pollutants and health have also worked together on the health issue relating to lead in children.

In May 1984 the Leader of the Opposition (Mr. Peterson) brought to my attention a problem in his riding. The University of Western Ontario had received orders from local fire and building officials as well as from inspectors from the Ministry of Labour's office in London. Some of these orders apparently related to the same hazards. In addition to taking steps to address the particular issue, I wrote to the Leader of the Opposition last July and advised him that an interministry group was looking into the matter of co-ordinating efforts between the fire marshal's office, the building code branch and the occupational health and safety inspectorate to

avoid duplication of inspections and the concomitant possibility of conflicting orders.

This interministry group has met on three occasions. The group includes officials from the occupational health and safety division, the office of the provincial fire marshal of the Ministry of the Solicitor General and the building codes branch of the Ministry of Municipal Affairs and Housing.

Each of these ministries administers acts and regulations that in some way relate to safety. Our legislation covers the health and safety of workers while the building code and the fire code are concerned with public safety. Our legislation and the building and fire codes are being examined by this group, which will make recommendations to avoid duplication of effort and to ensure that the most appropriate ministry is conducting the required inspections and investigations and that the legislative requirements are compatible.

11:30 a.m.

As many members will remember, the provisions of the Canada Labour Code have applied to the health and safety of miners working in uranium mines ever since these works were determined to be federal undertakings. Until last year, staff of the occupational health and safety division served as agents for Labour Canada in administering the health and safety standards under the Canada Labour Code.

Over the past year and a half my officials worked with Labour Canada, the Atomic Energy Control Board and labour and management officials to develop a federal regulation incorporating by reference the Ontario Occupational Health and Safety Act and regulations, and giving authority to Ministry of Labour inspectors to administer and enforce the regulation. This was in response to the wishes expressed by both labour and management in the Ontario uranium mining industry. They wished to be subject to the same health and safety laws as their counterparts in Ontario's other mines.

On July 1, 1984, the Atomic Energy Control Board filed a regulation under the Atomic Energy Control Act which references, for occupational health and safety in uranium mines, the Ontario Occupational Health and Safety Act and mining regulations. In addition, a memorandum of understanding, dated June 14, 1984, has been signed on behalf of Labour Canada, the Atomic Energy Control Board and the Ontario Ministry of Labour, under which Ontario will provide administrative, inspection, enforcement and related services with respect to occupational health

and safety in Ontario uranium mines, in return for such reasonable compensation as may be agreed upon by the AECB. The ministry has reached agreement with the AECB and the necessary approvals are being sought so that the agreement may be signed.

Mr. Mancini: So you are saying they are going to pay you for their services?

Hon. Mr. Ramsay: Yes.

Mr. Mancini: Are they merely going to cover the costs—salaries and things of that nature—and nothing more?

Hon. Mr. Ramsay: We are not going to make a profit on it.

Mr. Mancini: I was just wondering if you had to set up an office or something.

Hon. Mr. Ramsay: No, we are using our existing staff.

I wish to emphasize that the successful conclusion of these lengthy negotiations could not have occurred without the co-operation and goodwill of all the parties involved.

A major obstacle to the agreement stemmed from the fact that it was not possible for the Atomic Energy Control Board to incorporate by reference the section of the Occupational Health and Safety Act that permits a worker who believes his employer has taken punitive action against him for exercising his rights under the act to have the matter dealt with by the Ontario Labour Relations Board.

To overcome this difficulty, Rio Algom, Denison Mines, and the United Steelworkers of America agreed to amend their collective agreements so that disputes respecting reprisals are resolved by a special grievance board selected by the chairman or a vice-chairman of the Ontario Labour Relations Board. I repeat my congratulations to all parties involved on the successful resolution of this matter.

While I am proud of the initiatives taken in the uranium mining industry, I am equally pleased to be able to report progress made in extending the application of the Occupational Health and Safety Act to teachers and university academics. In addition, I would like to bring the honourable members up to date on the current status of our efforts to establish appropriate regulatory frameworks in other sectors. The occupational health and safety division has been involved in developing hazard-directed and trade-targeted regulations.

When the act was promulgated in 1979, a number of occupational groups and/or economic sectors were excluded from the application of the

legislation. Among these were farming operations, teachers as defined in the Education Act and "a member or teaching assistant of the academic staff of a university or related institution." In addition, other classes of workers, though covered under the general provisions contained in the act, were not subject to more detailed regulatory provisions. A good example would be workers employed in health care facilities.

Following the promulgation of the act, discussions were initiated with representatives from the various excluded groups to develop strategies to protect the health and safety of the workers affected. During these consultations it became clear that different groups had distinctive views on the type of regulations that were needed for their particular occupational categories and work places.

Ongoing discussions with the parties have explored the various options that are available, and have proved invaluable in preparing the needed regulations. Let me deal with the regulations that have either been enacted within the last year or are under active consideration by my officials.

Teachers: Soon after the act came into force, the Ministry of Education established a committee to consider the feasibility of providing occupational health and safety protection to teachers, either under the Education Act or under the Occupational Health and Safety Act. Once the parties agreed that teachers should fall under the ambit of the Occupational Health and Safety Act, a working committee, consisting of representatives from labour and management groups who would be affected by the extension of the act to teachers, was established.

This body met on a number of occasions to prepare draft regulations to be used in developing a special regulation for teachers. The deliberations of the committee continued until early this year when, I am pleased to say, agreement was reached among the parties to extend the act to teachers.

The regulation which brings teachers under the act came into force on March 30, 1984. The act now applies to teachers, subject to certain conditions and limitations set out in the regulation that I will outline in a moment, just as it does to other categories of workers.

Let me deal with the particular provisions contained in the teachers' regulation. Subsection 3(1) of the regulation specifies that "A principal, vice-principal or teacher appointed by an employer of teachers to direct and supervise a school

or an organizational unit of a school is a person who has charge of a school or authority over a teacher and exercises managerial functions."

This provision is significant, because the act places certain duties upon a supervisor, who is defined to mean a person who has charge of a work place or authority over a worker. It is also noteworthy since it impacts upon board requirements to establish health and safety committees.

Subsection 3(3) of the regulation is also important. This provision limits the right of teachers to refuse unsafe work where the circumstances are such that the life, health or safety of a pupil is in imminent jeopardy. This limitation recognizes that a teacher's primary duty is to ensure the safety of his or her students.

I would now like to turn to subsection 3(2) of the teachers' regulation. This provision sets out rules for the establishment of joint health and safety committees for teachers. Since there are wide differences in school boards with respect to the number of teachers employed, either in the board area or in individual schools, guidelines have been developed to ensure the legislation is administered in a uniform fashion across the province.

Now that the Occupational Health and Safety Act has been extended to apply to teachers, my officials have turned their attention to developing a comprehensive health and safety regulation for educational institutions. In order to evaluate and discuss the need to enact such a regulation, a meeting was convened with labour and management representatives on June 11, 1984. The parties present agreed that a regulatory framework for workers in educational institutions should consist of a basic core regulation, which would apply to workers in all extended coverage work sites, and a further regulation that would address particular hazards encountered in educational institutions.

On July 16, 1984, the parties were informed that the Ministry of Labour would, in fact, be pursuing this dual regulatory strategy. Labour and management officials were also requested to provide lists of hazards to which workers in educational institutions might be exposed. These lists have recently been received and will be compiled so that the resulting inventory can be shared with all interested parties, preparatory to the drafting of a regulation.

University academics and teaching assistants: Over the last three years, representatives from faculty associations, the Council of Ontario Universities and teaching assistants have met with ministry officials to discuss the extension of

the act to university academics. I am pleased to state that on January 31, 1984, all parties agreed that the act should be extended to the academic staff of universities without conditions or limitations. The regulation that brings these groups under the ambit of the act took effect on July 1, 1984.

It should be noted that, as a result of the extension of the act to teachers and university personnel, the number of workers covered under the legislation has increased by approximately 100,000 and now totals 3.2 million.

Farming operations: The last sector that remains excluded from the application of the Occupational Health and Safety Act is farming operations. Let me take a moment to review the action the ministry has taken in this area.

11:40 a.m.

In October 1983 the Ministry of Labour and the Ministry of Agriculture and Food jointly established a task force on health and safety in agriculture. This body has been asked to identify the health and safety problems of farmers and farm workers and to advise the task force as to what protection is needed.

The task force is chaired by Dr. N. R. Richards, a former professor and dean of the Ontario Agricultural College, and is composed of members from various segments of the Ontario farming community, including worker representatives.

A steering committee composed of two senior staff members from the ministries of Labour and Agriculture and Food assist both the chairman and the task force by ensuring that matters referred to the respective ministries are dealt with promptly.

Both ministries share equally in the funding of the task force. Up to \$100,000 has been made available in the 1983-84 fiscal year to cover the costs of establishing and operating the task force, and a budget of \$204,000 has been proposed for fiscal 1984-85.

The task force has met approximately every three to four weeks since October 1983, and has initiated studies and obtained information on the health and injury experience of farm workers; the impact of farm mechanization on worker health and safety; health and safety concerns associated with the use of chemicals on farms; and strategies employed to protect farm workers in other jurisdictions.

Recently, the task force chairman sent a letter to senior officials within the division, inviting their participation at various public meetings across the province scheduled for late 1984 and

early 1985. The executive director of the division has since written to Dr. Richards to determine how staff in the ministry might be of optimal assistance to the task force. It is anticipated that a meeting will be convened between my officials and the task force.

The health care sector: As indicated earlier in my remarks, while health care workers have, since 1979, been protected under the general provisions set out in the Occupational Health and Safety Act, particular regulations have not been passed to apply to this class of workers. In order to remedy this situation, the Ministry of Labour consulted with the parties involved and, in June 1983 developed a draft regulation which was distributed to labour and management groups and relevant government organizations.

On April 27, 1984, in response to a request, I met with six union groups, known collectively as the health care coalition, to discuss the structure and content of the proposed regulation for health care facilities. The labour representatives had a series of concerns relating to several parts of the regulation, and asked that a joint labour-management committee be established to redraft the regulation. On May 10, after discussing this matter with my officials, I agreed to accept the suggestion of the health care coalition.

The committee, which will endeavour to arrive at an acceptable health care regulation, will consist of an equal number of labour and management representatives and will be chaired by Paul Hess, QC, recently retired director of the ministry's legal services branch, who is currently on the deputy minister's staff.

I said I would return to the subject of window cleaners. Before the promulgation of the Occupational Health and Safety Act, the regulation of window-cleaning activities in the province was left to municipalities, pursuant to powers conferred on them under the Municipal Act. Only the city of Toronto, however, chose to enact a bylaw for this purpose. In 1983 the city advised it had ceased to enforce this ordinance; as a result, the administration of window-cleaning legislation was left entirely to the Ministry of Labour.

It will be useful to examine more closely the legislative framework as it existed in 1979. Although the provisions contained in the act applied to all window cleaners, these individuals were governed by different sets of regulations, depending on the class of work site on which they were employed.

Window cleaners working on construction projects, for example, were covered under the provisions of the construction regulations. Simi-

larly, window cleaners employed in industrial establishments or mining plants came under the industrial or mining regulations, respectively.

Finally, window cleaners who practised their trade in extended-coverage work places did not fall under any set of regulations. When window cleaners in these places were observed working in an unsafe manner, an order was issued under clause 14(2)(g) of the act—the duty to “take every precaution reasonable under the circumstances for the protection of a worker.” The applicable section of the industrial regulations was cited as a guideline to support the order.

It should be noted that the provisions contained in the industrial, mining and construction regulations that related to the type of equipment used by window cleaners differed both in form and in content, since they were developed with input from different industry-specific groups and committees.

In February 1984, because of increasing concern for the health and safety of window cleaners, a task force was established within the division to examine the adequacy of the existing regulatory framework and to make recommendations for change. In March 1984, on the advice of the task force, an interim regulation dealing specifically with window cleaning and related activities was enacted. This regulation caused certain provisions contained in the construction regulations to apply to all window cleaning, caulking, exterior cleaning and sandblasting activities conducted from a window sill, working platform, scaffold or boatswain's chair. The sections of the construction regulations that were made to apply dealt with such matters as suspended working platforms, fall arrest systems, proximity to electrical hazards, personal protective equipment and guardrails.

The provisions contained in the construction regulations were chosen to apply generally to all window cleaners, irrespective of their work location, for the following reasons:

1. The provisions are more comprehensive than those contained in either the industrial or mining regulations.

2. Both construction workers and window cleaners use similar equipment, work from heights and are required to follow the same safety practices.

3. Since personnel from the construction health and safety branch had been given the responsibility of enforcing the interim regulation in the field, it made sense that the provisions contained in each regulation should be compatible in both approach and content.

With this interim regulation in place, the task force on window cleaners was asked to develop a more comprehensive regulatory strategy to address the hazards encountered in the window cleaning trade. In order to fulfil its mandate, the task force met with a number of window cleaners, an expert in fall arrest systems, a group of window cleaner employers, representatives from the Urban Development Institute, senior officials from the building code branch and representatives from the Construction Safety Association of Ontario.

During its deliberations the task force considered a broad range of topics, including training, the internal responsibility system, accreditation, piecework, support structures on buildings, licensing, registration, fall arrest systems, the use of boatswains' chairs and descent control devices.

On September 20, 1984, the task force's report was considered by the division's legislative review committee. The committee gave general approval to the report pending the resolution of certain technical problems, which have since been addressed.

I wish to assure all committee members that my officials are spending considerable time and resources in an effort to develop a comprehensive regulatory strategy to give better protection to window cleaners and workers employed in related trades. As I pointed out earlier in my remarks, the construction health and safety branch has recently hired an individual with experience in the window-cleaning trade to help co-ordinate training and inspection activities within the branch. I believe, once our strategy is put in place, it will serve as a model for other jurisdictions in North America.

Mr. Mackenzie: Can I ask who that individual is?

Hon. Mr. Ramsay: Mr. Goodman?

Mr. Goodman: The individual you hired?

Hon. Mr. Ramsay: Yes, for the window-cleaning activities.

Mr. Goodman: I will get the name for you right now.

Hon. Mr. Ramsay: The sixth regulation I want to talk about deals with firefighters. As I indicated during the last estimates debate, the occupation of firefighting carries with it the inevitability of exposure to heat, flames and toxic substances. There are also hazards associated with falling objects and unstable working surfaces. In view of these hazardous conditions and of the fact that the act does not permit firefighters

to refuse unsafe work, reliance has been placed on protective equipment, operating procedures and work practices as means of protecting firefighters.

Over the last year, a working group composed of representatives from labour and management groups involved in firefighting have been meeting to draft standards for protective clothing. This group has recently been expanded to include representation from both the Provincial Federation of Ontario Firefighters, which represents about one half of the full-time professional firefighters, and the Ontario Professional Fire Fighters Association, which represents the volunteers.

11:50 a.m.

The working group is now focusing its attention on turnout clothing, gloves, boots and respirators. It is expected that, in due course, recommendations for the enactment of regulations in these areas will be forthcoming. It should be noted that on March 8, 1983, a regulation was filed on the subject of helmets for firefighters.

The seventh regulation pertains to police. I am pleased to report consultations between labour, management and government officials on the application of the Occupational Health and Safety Act to members of police forces are continuing. Sergeant Paul Eddy of the Metropolitan Toronto Police, who was originally appointed to assist police forces and their members to meet their obligations under the legislation, will shortly have his term of office extended at the request of the Ontario Police Health and Safety Committee. This labour-management body established under section 11 of the act has been meeting on a quarterly basis to discuss the health and safety concerns of police officers.

X-ray workers: Until recently, X-ray safety in Ontario was dealt with by regulation 855 of the Public Health Act, which was the basis for the protection activities of both the Ministry of Health and the Ministry of Labour. Regulation 855 addressed a variety of topics, including the registration of owners of X-ray machines and the approval of all plans for permanent installations. These administrative activities were carried out by the Ministry of Health for all medical and dental and the Ministry of Labour for industrial, educational and veterinary X-ray units.

On February 1, 1984, a new regulation came into force under the Ministry of Health's Healing Arts Radiation Protection Act. This empowered the Ministry of Health to continue to register owners of and approve plans for all medical and

dental X-ray installations. It also revoked regulation 855, except for one section unrelated to occupational X-ray safety. The Ministry of Labour was, therefore, left without any specific legislation to support some of its activities.

I wish to point out that since late 1980 my officials have been actively involved in the development of a new X-ray safety regulation under the Occupational Health and Safety Act. In view of the extensive consultative process being undertaken, the regulation is unlikely to be filed for a number of months. While the ministry, in the interim, can continue to conduct safety inspections under the general provisions contained in our act, we do not have the power to continue registering new X-ray users or review plans for new installations that are not covered by the HARP Act.

To remedy this situation, an interim regulation was brought into force on April 27, 1984, to enable ministry officials to undertake registrations and plan reviews. It is composed of various sections taken directly from the current draft of the proposed full regulation. However, it does not contain any sections that are likely to be controversial, such as those relating to dose limits or installation requirements.

As I have indicated, work on the full regulation is proceeding as quickly as possible. A revised draft was circulated recently to all interested parties for review and comment. I fully expect the final regulation will be filed in 1985.

Commercial divers: Over the past year, a series of meetings were held between representatives of labour and management, the Ontario Diving Council of the Construction Safety Association of Ontario, and the Ministry of Labour, to refine a regulatory strategy to protect commercial divers. The Ontario Diving Council reviewed the Canadian Standards Association's occupational safety code for diving operations, and recommended that a standard based on it be adopted by regulation. The code in question, with revisions suggested by the parties, was submitted to the division's legislative review committee for approval.

Further changes were made, and a revised draft has been distributed. More revisions are now being made in preparation for final discussions with the diving council and other interested parties. It is fully expected that a regulation for commercial divers will be in place in the coming year.

Officials within the division have also been working on a proposed regulation to cover employees on oil rigs. Meetings have been held

with the Ontario Petroleum Institute and with inspectors of the petroleum resources section of the Ministry of Natural Resources. The applicable legislation in other jurisdictions has been carefully reviewed, and a discussion paper which contains a draft regulation has been submitted to the interested parties. A further meeting to discuss the proposed regulation with the Ontario Petroleum Institute has recently been held. Further refinements will likely be made to the regulation, which it is hoped can also be enacted this year.

Last, the core regulations. A review of the construction, industrial and mining regulations reveals that these three pieces of legislation deal with a number of common hazards: for example, electrical and confined space hazards. In many cases, however, the exact wording of the related provisions differs appreciably. This is probably not surprising when one considers that the three regulations were developed at different times by different ministry officials and/or labour-management committees. The absence of uniform regulation in the three sectors has understandably caused difficulties among client groups that must work in more than one economic sector.

With these concerns in mind, and given the need to develop general regulatory provisions for extended-coverage work sites, the division standing committee on sector regulations has been asked to prepare a comprehensive core regulation. This regulation will contain one set of standard provisions that will apply to the construction, mining, industrial and extended coverage sectors. Additional provisions could then be added to the core regulation to address the hazards encountered in particular types of work places: that is, mines, construction projects, health care facilities, etc.

In conjunction with the work being carried out by the standing committee, a task force within the division is involved in a pilot project to develop a set of core provisions for electrical hazards encountered in the various economic sectors. It has been the practice of the ministry to consult with the parties when changes are proposed to the legislation, and a similar procedure will be followed for these provisions early in the new year.

My officials are under no illusion that the development of a core regulation will be a simple, straightforward process. Clearly the job of rationalizing different regulatory provisions and philosophies involves immense challenges. The problem is rendered even more complex

since there will be a need to consult with labour and management representatives in the various sectors before a comprehensive core regulation can be promulgated. Despite these obstacles my officials are committed to the objective of developing core regulatory provisions as expeditiously as possible.

I am sorry. I said that was the last regulation I was going to deal with. Actually, there is a 12th, which is rollover protection. I also want to talk a bit about current regulations. Before I move to rollover and current regulations, though, I will respond to the question of the member for Hamilton East (Mr. Mackenzie) and put on the record that the expert on window cleaning who has been hired is George Bested.

Mr. Mackenzie: What is his background? Is he from the industry or what? Do you know?

Mr. Goodman: Yes, he is from the industry.

Mr. Mackenzie: Was he an owner or a manager of a firm at one stage?

Mr. Goodman: I believe he was a worker. I can check on that, but I am quite certain he was a worker.

Mr. Mackenzie: I remember the circumstances at the time—

Mr. Goodman: I will check on that.

Mr. Chairman: We cannot get on the record what you are relating there.

Hon. Mr. Ramsay: Once we get the information, we will put it on the record.

In September 1983 a section was added to the mining regulations requiring the installation and use of rollover protective structures on above-ground vehicles. Since there have lately been a number of fatalities in the industrial and extended-coverage sectors involving vehicles that have overturned, the ministry has decided to develop a similar regulation to apply in all sectors.

In August 1984 a committee composed of representatives from various branches within the division was established for the purpose of developing a single regulation that would apply to all economic sectors, including mining. To date, the committee has met on three separate occasions, and a draft regulation is expected shortly. Once this regulation has been finalized it will be distributed to interested and affected parties for further comment. I expect that a regulation for rollover protection will be put in place in 1985.

12 noon

In the current regulations, in view of the dynamic nature of Ontario work places and the

hazards found therein, occupational health and safety regulations cannot remain static. Therefore, the division has established a number of committees to consider both additions and amendments to the act and regulations.

One of these groups is the Mining Legislative Review Committee. This body, which until very recently was ably chaired by Mr. Cam Barrett, is composed of representatives of labour and management, with ministry representatives providing technical assistance and support. The committee's mandate is to provide me with advice concerning amendments required to keep the mining regulations both current and technically relevant.

With strong input from the mining industry and from labour representatives, the regulations have achieved a high level of acceptance and credibility and have become a model for other jurisdictions both in Canada and abroad. Members may be interested to know that in the 1983-84 fiscal year the committee recommended that 124 refinements be made to the present mining regulations. These have been filed and gazetted.

Earlier in this section, I made reference to the fact that Mr. Cam Barrett is no longer the chairman of the Mining Legislative Review Committee. After years of faithful service, Mr. Barrett recently decided to retire from his position. I am sure I speak for all committee members when I say his knowledge, expertise and ability to achieve consensus will be very much missed.

I am also happy to announce at this time that Paul Hess, QC, the former director of the ministry's legal services branch and now a member of the Deputy Minister of Labour's staff, has been appointed as the new chairman of this committee. While the task of developing regulatory initiatives in a tripartite environment is by no means an easy one, I am confident that Mr. Hess, with his background in legislative drafting and his many years of experience within the ministry, will be equal to the challenge.

I would also like to point out that in the construction sector, the Provincial Labour-Management Health and Safety Committee has submitted approximately 60 suggestions for refinements to the construction regulations. These proposals, along with 40 other recommendations, are currently being reviewed by division staff.

As must be evident from the preceding discussion, the ministry is committed to consulting with interested and affected parties before

health and safety regulations are implemented. There is no doubt that in some cases the ministry's desire to obtain the views of all relevant parties delays the implementation of regulatory initiatives. On the other hand, the enactment of regulations without regard to their practicality or acceptance in the field would create confusion and mistrust, and, ultimately, would not be in the best interest of Ontario workers.

In addition, regulations promulgated in haste often require revision in very short order. To date, the ministry has received excellent support from outside groups and members of the public. My officials are committed to the consultative process and I am confident that this concept will continue to produce high-quality regulations in the upcoming year.

As members of this committee will know, ministry officials have been actively involved in developing strategies to control worker exposure to toxic substances and agents in the work place. I consider this to be one of the most important ministry programs. The components of this initiative include: The enactment and enforcement of designated substance regulations; the notification to the ministry of new substances; the development of policies on carcinogens and reproductive hazards; the development of regulations to control groups of toxic substances, such as solvents and irritant chemicals; and the enhancement of the worker's right to know about the toxic substances used in the work place.

In developing the designated substance regulations a concentrated effort has been made to obtain input from as many interested groups as possible. As a result of the consultations undertaken with labour, management and members of the public, the regulations developed are among the best in the world.

In the case of substances that have already been regulated and of those for which proposed regulations are being published, the practice has been for the ministry to assemble the background material it has collected and to place the documents on deposit in the Toronto and district offices of the ministry. In the case of substances for which notices of possible designation have been published or where studies have been undertaken by consultants, these documents are also available for public review.

It should be emphasized that consultants, in developing their reports, meet with interested parties and solicit their views on the need for regulation and the possible impact of particular control strategies.

There are currently nine designated substance regulations in place, for lead, mercury, vinyl chloride, coke-oven emissions, asbestos, isocyanates and silica. The silica regulation came into being on December 9, 1983, and the regulations for benzene and acrylonitrile were filed on November 16, 1984.

Let me now deal with the Ministry of Labour's proposed noise regulation. In February 1983, following the advisory council's review of this regulation, I appointed a three-member special advisory committee to examine various technical issues arising from the regulation. The committee is chaired by Mr. Kevin Burkett, formerly of the Ontario Labour Relations Board, and includes one representative from labour and one from management. A technical adviser has also been appointed.

The mandate of the special advisory committee is to examine: (1), methods of calculating sound levels; (2), the manner in which impulse noise should be treated; and (3), whether a ceiling exposure limit should be specified in a regulation. I wish to inform committee members that a draft technical report prepared by Dr. Shaw has been circulated to interested parties for review and that the comments received are now being evaluated by the advisory committee. I expect that its final report will be in my hands shortly.

I fully recognize that it has taken a great deal of time to develop a designated substance regulation for noise. Considering the importance of the regulation, however, and the widespread impact it will have on the industrial community, it is imperative that all technical matters that may affect the implementation of the regulation be fully evaluated before the regulation is filed. I wish to assure all members that once the report is obtained from the special advisory committee, it will be reviewed in an expeditious fashion by my officials.

In 1982 the division published notices to regulate an additional eight substances. These substances were arsenic, acrylonitrile, benzene, formaldehyde, cadmium, chromium, ethylene oxide and styrene. Proposed regulations and codes for benzene and for formaldehyde were published in July 1983; regulations for acrylonitrile and arsenic were published in August 1983.

The proposed regulations for benzene and acrylonitrile were sent to the Advisory Council on Occupational Health and Occupational Safety in early 1984. The advisory council's comments on these two regulations were received by my officials in July and September 1984, respec-

tively. I have responded to the council's advice, and regulations designating these two substances became law when they were filed earlier this month. They should appear in the Ontario Gazette shortly.

Let me now take a few moments to discuss the progress made by the ministry in developing control strategies for other substances that were identified for designation in 1982.

First, formaldehyde: because of the widespread use of formaldehyde and the quantities manufactured and consumed, industry has strenuously opposed the proposed designation of formaldehyde. Some respondents regard it as no more than an irritant and argue that existing data is not definitive in either a positive or a negative sense with respect to its human carcinogenicity.

Meetings have been held with various parties who would be affected by the proposed regulation. In order to obtain an independent view of the health effects data available when the health effects document was prepared in June 1983, and of the literature published since then, an external expert committee of three scientists has been established by the ministry. This committee is expected to report shortly. After it has done so, the appropriate control strategy will be pursued.

Mr. Mancini: Is this the substance used in the urea formaldehyde insulation that everybody is concerned about?

Hon. Mr. Ramsay: Dr. Robinson?

Dr. Robinson: The answer to that is yes, it is.

Mr. Mancini: Is this a short form of the name, is it exactly the same thing, or is it—

Dr. Robinson: The free agent formaldehyde is used in the formation of the urea formaldehyde foam. It is in a combined form in that foam, but the foam can break down under adverse conditions, releasing formaldehyde.

Mr. Mancini: Is it not already established that this is dangerous to a person's health?

Dr. Robinson: It certainly is an irritant. The question has been the implications of animal data relating to the effects in man and whether or not there is a risk associated with development of cancer.

Mr. Mancini: I am sorry to interrupt your statement, Minister.

Hon. Mr. Ramsay: I welcome the questions.

Mr. Mancini: Thank you. But is it not a fact that the federal government has established a program to remove urea formaldehyde from homes on the basis that it is a health hazard?

Dr. Robinson: The federal government has taken that step, yes.

Mr. Mancini: You are working with them to exchange information?

12:10 p.m.

Dr. Robinson: Technical information is exchanged between ourselves and the federal government—relating to formaldehyde, not to the foam insulation and everything that goes with that.

Mr. Mancini: If it is the same substance then why are we banning its use? I guess we are going to look into it a little more, as I understand from the minister's statement.

Hon. Mr. Ramsay: Okay. Next, arsenic. I would note that I am about to transmit a proposed regulation to the advisory council. The ministry had several complex and contentious issues to consider in arriving at this stage. Our officials consulted with representatives of management and labour and obtained additional information on actual worker exposure to arsenic in the mining industry. These additional meetings resulted in a better appreciation of the issues and the steps the ministry was taking to resolve them.

Ethylene oxide: the Ontario Hospital Association has questioned the designation of this substance and indicated that other control strategies might be more appropriate for hospitals. The Canadian Union of Public Employees, on the other hand, has recommended that an extremely stringent exposure limit be set for the short term and that ethylene oxide ultimately should be banned.

In co-operation with both of these bodies, the ministry has conducted a survey of 21 hospitals to evaluate worker exposure. A draft report was reviewed by all parties. The final report was considered by the division's legislative review committee, which subsequently reported to the deputy minister and to me. The proposed regulation and code have recently been published in the Ontario Gazette.

Styrene: following publication of the notice of possible designation of this substance and analysis of briefs in response, the ministry decided to defer designation. Division officials concluded on the basis of available evidence that the irritational and neurobehavioural health effects were unlikely to be of long-lasting nature. There is also evidence to suggest that once a worker is removed from exposure to lower concentrations, any observed health effects are reversible.

The ministry's decision was also prompted by the reinforced plastics and composite industry's response to the notice of possible designation, which has to put a voluntary control program in place by fall 1984. Ministry officials reviewed the styrene health effects document and established an exposure guideline, which will be shared with industry and labour once the division's legislative review committee has approved it.

I informed the advisory council, as well as industry and labour representatives, of the decision to defer designation, subject to the following conditions:

1. The industry will make its best efforts to reduce styrene exposures to a level below the guideline value approved by the division.

2. The division will establish a committee to liaise with the industry to ensure that compliance is achieved within a reasonable time frame.

3. Employers will provide workers with appropriate respiratory protection until exposure levels are reduced through the use of engineering controls and work practices.

4. The industry will establish and maintain joint health and safety committees in all work places where employees are exposed to styrene.

I also wish to note that the styrene industry committee has prepared a draft code of practice and is working with the Industrial Accident Prevention Association to organize a seminar to educate joint health and safety committees in the industry about the effects of styrene. I wish to assure all members of this committee that if this voluntary approach is found unsatisfactory, I shall determine whether the designation process should be reinstituted.

Cadmium and chromium: the ministry is preparing health effects documents on these substances. My officials will soon circulate the document on cadmium. At that time they will advise interested parties that a proposed regulation will be published in the Ontario Gazette during February 1985, unless the comments submitted on the document are of sufficient weight to cause a further consideration of the available information.

With regard to chromium, the ministry is completing its review of the health effects document. Once a final report is available, it will be made available. This will assist my officials in developing a proposed regulation which is based on a more comprehensive understanding of the interested parties' appreciation of the quality of the health effects information.

Asbestos in the construction industry—

Mr. Mancini: Before we go to asbestos, most of us are familiar with asbestos and your statement is very comprehensive. I was wondering if, in the future, when we are discussing these toxic substances, it might be helpful for members who do not have any medical or technical background, to have a short explanation or list of the side effects workers suffer from being exposed to these toxic substances. Formaldehyde was described as an irritant a few minutes ago, but I know some people have respiratory problems because of exposure to it.

I am wondering if it would be possible over the course of the estimates, for your staff to draft a list of possible side effects.

Hon. Mr. Ramsay: Fine, I am sure we could do that. We normally respond to all questions left unanswered in the estimates. There is a document that goes out to all members.

Mr. Mancini: Yes, I am aware of that.

Hon. Mr. Ramsay: At the very least, we will provide it there.

Mr. Chairman: You did not want that in the statement next time?

Mr. Mancini: I think it would be helpful to have it in the statement. We would not have to—

Hon. Mr. Ramsay: We will take that into consideration, certainly.

Mr. Gillies: Make it longer.

Mr. Mancini: We are here, so we might as well have it all.

Hon. Mr. Ramsay: This might be an appropriate time to put on record the information requested by Mr. Mackenzie.

Mr. Bested is a former window cleaner and supervisor with many years' experience with one of the province's largest window-cleaning firms. To the ministry's knowledge, he has never been an owner of a window-cleaning establishment. His most recent position, before joining the ministry, was manager of operations for Federated Building Maintenance Co. Ltd..

Asbestos in the construction industry: Considerable concern has been expressed by the public, constructors and workers about the adequacy of safety precautions when asbestos is disturbed during construction or maintenance activities.

As members may remember, in August 1982 a proposed regulation for asbestos on construction projects was published in the Ontario Gazette. Pending the finalization of this regulation, the ministry issued guidelines for the removal and treatment of asbestos on construction projects to industry and labour organizations. Procedural

guidelines for the removal of asbestos were also provided to the Ministry of Education.

I should point out that, when schools undertake projects where asbestos may be disturbed, the relevant board will advise the Ministry of Labour district office. Following such a notification, inspectors from the construction health and safety branch will review requirements for the safe handling of asbestos with the parties in the work place.

Following the publication of the regulation, a number of briefs from interested parties were received by ministry officials. These submissions were carefully considered and a revised draft of the regulation was presented at a public meeting held in January 1983. Following this meeting, additional submissions were forwarded to the ministry. These materials raised further issues.

As these comments were considered, it became clear the Royal Commission on Matters of Health and Safety Arising from the Use of Asbestos in Ontario would shortly prepare recommendations on various aspects of occupational exposure to asbestos. Consequently, a decision was made to defer enactment of the regulation until the recommendations of the royal commission were published. In this way, the regulation would address relevant recommendations made by the royal commission.

As I indicated in this address, I tabled the report of the royal commission on asbestos in the Legislature on May 7, 1984. As anticipated, the report made a number of important recommendations dealing with worker exposure to asbestos during construction, demolition and maintenance activities.

The report recommended, among other things, that the ambit of the asbestos regulation be extended to cover, not only construction workers, but all employees who are involved in the removal and/or the encapsulation of asbestos. The report also recommended that the regulation cover building owners as well.

After evaluating these recommendations, my officials concluded the draft regulation should be amended to expand its application, as suggested. These amendments were made, and a revised regulation has been distributed to the parties. A full public meeting to discuss the new regulation has been scheduled for December 17, 1984, and concerned parties have been informed.

I am hopeful the proposed regulation will satisfy client needs and that we can proceed quickly to make this law.

12:20 p.m.

I wish to point out to honourable members that the asbestos construction regulation will serve as a model for other toxic substances to be regulated in this sector. During the early phase of preparing designated substance regulations it became apparent that the construction trades required a different approach to controlling toxic substances. In submissions by labour and management representatives it was suggested that control by procedures form the basic approach to the construction regulation.

Since the asbestos construction regulation is nearing finalization, my officials consulted with labour and management representatives in the construction industry to determine the next substances for regulation. My officials obtained the concurrence of the relevant organizations that lead, mercury, coal tar products, isocyanates and noise should be dealt with.

The priority list is ordered according to the severity of the hazard and the amount of research needed to finalize a proposed regulation. My officials are working closely with the Construction Safety Association of Ontario and the Provincial Labour-Management Health and Safety Committee to prepare the necessary information to develop control-by-procedure regulations for these substances.

I am also pleased to inform the committee that on July 14, 1984, notices of possible designation for nickel and coal tar products were published in the Ontario Gazette. My officials inform me that both labour and industry have provided the ministry with some extremely useful comments on possible control strategies for these substances. Once these comments and the health effects of these substances have been fully evaluated, we will make a decision on whether or not the substances in question should be formally designated.

I would also like to advise committee members that reports are being prepared on the control of welding activities, wood dust and epoxy resins. These reports will contain information on processes and industrial hygiene practices and controls, legislation in other jurisdictions, societal concerns and the nature and extent of worker exposures.

In the last fiscal period copies of reports for coal tar products, nickel, trimellitic anhydride, aromatic amines and azo dyes and chlorine were completed and placed in the ministry library.

I would also like to point out that my officials are completing work on two generic regulations dealing with solvents and irritants. Generic

substances may be thought of as agents with similar characteristics, be they related to chemical composition, nature of health effects produced or some other factor.

As I noted during the last estimates debate, the development of generic regulations becomes particularly desirable when one takes into account the large number of substances that may present potential hazards to workers.

A notice seeking comment on the appropriate control strategy for solvents has been published in the Ontario Gazette, and a working draft regulation has been distributed for discussion purposes. A similar package for a group of irritant substances will be distributed shortly.

I would now like to describe some of the initiatives that my officials have taken in relation to the implementation of designated substance regulations. My remarks will first focus on the activities of the industrial health and safety branch, the organization that is most heavily affected by this class of regulations.

Let me begin my remarks by noting that in order to implement regulations effectively in the field it is necessary that all parties have an understanding of their rights and responsibilities under the legislation. Although the general format of individual regulations is relatively straightforward, there are a number of details that the parties in the work place must comprehend in order to obtain maximum benefit from the legislation.

To enhance this level of understanding, the industrial health and safety branch is developing information packages to be sent to those work places that are subject to designated substance regulations. The documents in question will provide information on the carrying out of assessments, the implementation of control programs and the establishment of joint health and safety committees. It is expected that this initial information package will cause the relevant regulations to be implemented in a more effective and timely manner.

I should also stress that officials from the various line branches regularly review the application of and compliance with the designated substance regulations during their cyclical audits of work places.

In June 1984 the IHSB commenced work on a computerized information system that will provide officials with more up-to-date and concise information on the implementation of designated substance regulations in individual work places. This system, which is expected to come into full

operation in February 1985, will be able to provide information on:

1. The names of all work places known to the ministry where designated substance regulations are applicable;

2. The names of all work places known to the ministry where assessments have been completed and control programs instituted;

3. The names of all work places known to the ministry where orders for assessments or control programs are outstanding; and

4. The names of union locals that represent employees in work places subject to designated substances regulations.

The mining health and safety branch is considering the feasibility of implementing a similar information system.

In my view, the maintenance of appropriate statistics is vital to the successful administration of occupational health and safety programs in the province. I believe that the computerized information system being adopted for designated substances will provide my officials with a broader information base from which to monitor the implementation of these regulations.

Mr. Chairman, that completes 100 pages. It makes a good spot to break, if you feel there is some merit in doing so, or do you want me to continue?

Mr. Chairman: I think you should continue until 12:35 p.m. That will give us our two and a half hours this morning. We want to keep it at five hours a day, two and a half in the morning and two and a half in the afternoon.

Hon. Mr. Ramsay: All right; you want me to go to 12:35.

Mr. Chairman: Yes.

Mr. Mackenzie: Have you no sympathy at all for the minister's voice?

Hon. Mr. Ramsay: His wish is my command. No, his command is—what is the saying?

Mr. Chairman: You have to do it sooner or later.

Hon. Mr. Ramsay: I have to do it sooner or later. Whatever you say, sir. Where was I?

Mr. Mancini: Are you a parliamentary assistant?

Interjections.

Hon. Mr. Ramsay: He is a good chairman. Do not get him upset now because—

While on the topic of the implementation of the designated substance regulation, I would like to bring you up to date—

Do you know what he is doing? He has given up smoking for the period of these estimates because I have trouble reading while someone is smoking. I think that is very commendable and I would like to have it recorded.

Mr. Mancini: That is very commendable.

Mr. Chairman: He is going to buy me a carton of cigars after we are done.

Hon. Mr. Ramsay: That is a deal.

I would like to bring you up to date on the status of one of the more significant recommendations of the royal commission on asbestos. As the honourable members may recall, the commission recommended that a designated substances enforcement unit be established. The ministry has accepted this recommendation. Officials are currently studying the most appropriate arrangements to implement the commission's advice.

Section 21 of the Occupational Health and Safety Act: Section 21 requires that, except for research and development, written notification must be given to a director of the occupational health and safety division of the intention to manufacture, distribute or supply for commercial or industrial use in a work place any new biological or chemical agent or combination of such agents.

Section 21 also requires that the agents be identified by ingredients, names and properties. The director is also given the discretion to require more detailed information where he or she is of the opinion that an agent may be a health or safety hazard.

The director of the occupational health branch has been given the responsibility of overseeing the review of information submitted under section 21. Once the notifications have been received, the director passes them on to a ministry toxicologist, who reviews the material in consultation with other ministry officials.

Depending on the results obtained from this review, the director may require further reports and assessments. When the data provided are judged sufficient to assess the potential impact of an agent on health, and where workers may be exposed to the new agent, a field visit is routinely conducted by appropriate occupational health branch staff.

To date, notifications have been received with respect to 105 new agents in Ontario. Of this total, three agents have been assessed as carcinogens and appropriate action has been taken by field staff. In addition, one order was issued

under section 20 of the act to control an extremely toxic substance.

I should also note that a number of meetings have been held between ministry officials and various manufacturers and suppliers of chemicals and their trade organizations to discuss the requirements of section 21. In addition, a document entitled Procedures for Notifying of the Intention to Manufacture, Distribute or Supply a New Agent Under Section 21 of the Occupational Health and Safety Act has been approved and distributed to all relevant parties.

12:30 p.m.

There is no doubt that section 21 of the act provides workers with an extremely important measure of protection against the effects of potentially harmful agents. I am also satisfied that the administrative procedures developed under this section are being carried out in an effective manner.

While on the subject of the health of workers, I should point out that my officials are preparing an assessment of the literature on the health effects associated with secondhand cigarette smoke, and a suitable control strategy. As members will know, this issue has generated a considerable amount of interest and debate, particularly in the context of exposure to tobacco smoke in offices.

Honourable members will be interested to know I have made arrangements for the Advisory Council on Occupational Health and Occupational Safety to provide advice on the criteria that should be employed to assess priorities for the control of toxic substances. In addition, the strategic policy unit of the division is looking at mechanisms that might expand consultations with management and labour representatives in the context of setting priorities for regulatory initiatives.

In 1980 the advisory council established a task force to address the problem of carcinogens in the work place. The task force found it appropriate to develop a discussion paper and to hold public meetings on this matter. In March of this year council forwarded to me an advisory memorandum entitled New Chemicals and Biological Agents in the Work Place: Identification and Control of Carcinogens and Potential Carcinogens.

As indicated by the title, this memorandum is concerned with the introduction into the work place of new substances that may have carcinogenic effects. However, the memorandum does not address the problem of how to deal with existing substances already in use. The division

is preparing a response to these recommendations.

Because of the relatively narrow focus of this memorandum and because of the public anxiety regarding the potential hazards posed by carcinogens, division staff is also working on a draft policy dealing with the identification of, and regulatory strategies for, all carcinogens or potential carcinogens found in the work place. The document will be based on the principles outlined in the advisory memorandum.

In August I also received from the advisory council advice concerning reproductive hazards in the work place. Officials within the division are at present working on the response to the recommendations contained in this document.

The control of toxic substances at the work place has been an important priority for the division. There is no doubt much remains to be done in this complex area of public administration. However, the existing requirements under the act and regulations go a long way towards providing ongoing protection. Employers, workers and others must take reasonable precautions and exercise common sense in dealing with toxic substances in their work places.

Mr. Chairman: I think that might be a good place to recess for lunch. We will be back at 2 o'clock.

Hon. Mr. Ramsay: Thank you, sir.

The committee recessed at 12.33 p.m.

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From the Ministry of Labour:

Goodman, B., Executive Director, Occupational Health and Safety Division
 Robinson, Dr. A., Assistant Deputy Minister, Occupational Health and Safety Division



Hansard

Official Report of Debates

Legislative Assembly of Ontario

11/23/1984

Standing Committee on General Government
Estimates, Ministry of Labour

Fourth Session, 32nd Parliament
Wednesday, November 21, 1984
Afternoon Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, November 21, 1984

The committee resumed at 2:02 p.m. in committee room 1.

ESTIMATES, MINISTRY OF LABOUR (continued)

Mr. Chairman: The minister has some additional comments he wants to make on his statement and it should take us somewhere along into this afternoon. Minister, if you would like to continue.

Hon. Mr. Ramsay: Mr. Chairman, in addition to the matters I have already dealt with, I would like to comment on several further initiatives that have been undertaken by my officials.

The first area with which I would like to deal concerns what has been termed the "right to know." This concept involves the notion there should be a freer dissemination of information regarding hazards in the work place and in the environment generally. It is also felt there is a need for government officials to have fuller access to information that may be used in responding to emergency situations, such as spills. I should note that a number of states and municipalities in the United States have adopted right-to-know laws and that the city of Toronto is studying this matter.

Quite recently an honourable member of the opposition put forward a resolution calling for the government to develop legislation that would provide workers and community residents alike with access to a broader range of information about hazardous chemicals.

Mr. Mackenzie: Something like the freedom of information act.

Hon. Mr. Ramsay: I acknowledge that, despite the provisions contained in the Occupational Health and Safety Act and accompanying regulations, the parties in the work place may not always be provided with sufficient information on hazardous substances. One of the reasons for this withholding of information is the reluctance of manufacturers to reveal trade secrets. There is a concern that the data supplied will be used by competitors, to the detriment of the original manufacturer or supplier.

In an effort to address this problem in a systematic way my officials are involved in two

initiatives that are designed to enhance access to information. Division staff continue to participate in an important national initiative known as the workplace hazards materials information system. The goal of the WHMIS group is to establish a national information system to deal with labels on containers, material safety data sheets and worker training. As many members know, this committee is a tripartite initiative.

While the WHMIS project has progressed, the initiative, by the very nature of its scope, is taking more time to complete than was originally anticipated. The need to balance the workers' right to know with the producers' right to maintain trade secrets has understandably been the main focus of discussion.

I am pleased to report, however, that a tentative agreement has been reached among labour, industry and government representatives with respect to some important subject areas. Along with other governments, the government of Ontario is reviewing the agreement reached so it may take appropriate action.

Because of the time the project has already taken and because, as I indicated previously, the parties in the work place may not currently be provided with sufficient information on hazardous substances, the division is preparing a draft regulation, which will be circulated shortly for comment. The proposal under consideration would require an employer to prepare a list of substances used in the work place and to make that list available either to the joint health and safety committees or to the workers.

The employer would be expected to take all reasonable steps to ascertain the components of products distributed under trade names, but protection will be given for genuine trade-secret information. This initiative is seen as being complementary to any legislation that will be developed as a result of WHMIS.

I would now like to turn to an initiative within the government that will have a significant impact on occupational health and safety education in the province.

As committee members may know, the structure of the Workers' Compensation Board and its relationship to the nine accident prevention associations has undergone a number of major changes in the last year.

After a two-year study on the subject, the board has developed a new organizational unit for the delivery of health and safety education in Ontario. The structural alteration involves the formation of a new body called the Occupational Health and Safety Education Authority, which has replaced the board's safety education division.

The new body will be administered by a tripartite authority composed of one representative from management, one from labour and a neutral chairman. The authority will administer the occupational health and safety education program developed by the board in accordance with the directions of a 12-member policy review board. On October 24 this policy agency was formally established and will have equal representation from both labour and management.

I am particularly pleased with the bipartite nature of this organization, which will help to ensure that all interested parties will have direct input into the development and delivery of health and safety education programs in the province. Among other matters, my officials have initiated contact with the authority to determine whether training materials—for example, video productions—can be prepared on a collaborative basis with labour and the safety associations.

Let me comment for a moment on the impact these changes are likely to have on the Ministry of Labour. As members know, the occupational health and safety division has not been given the statutory mandate to provide education and training in the work place. This responsibility falls primarily on the Workers' Compensation Board through its safety associations. In addition, the Ontario Federation of Labour has, during the last number of years, expanded the scope of the health and safety program it offers to the parties in the work place.

The ministry does, however, actively promote greater awareness of the Occupational Health and Safety Act both through the dissemination of appropriate materials and through the provision of lottery funds to various organizations. Let me take a moment to describe some of the educational initiatives that have been developed and supported through lottery funding.

2:10 p.m.

Since the lottery funding program began in 1977, more than \$2 million has been spent particularly on worker training programs. About \$1.8 million of this sum have gone to the Ontario Federation of Labour for the training of worker health and safety representatives. By the end of June 1984 approximately 6,500 workers had

graduated from the OFL's 30-hour health and safety course. These representatives were, in turn, trained by one of 454 instructors who had also obtained his or her credentials under the program.

The ministry has also used the lottery system in support of five resource centres located in various provincial universities and colleges. These centres are able to provide employers, workers and other groups with a wide variety of services relating to occupational health and safety topics. Each of the resource centres serves a specific geographic area and specializes in supplying a variety of technical, informational and educational services, particularly to small businesses. Since each resource centre has unique abilities, the centres share expertise to deliver the appropriate services in their areas.

In addition, since 1977 over \$2.5 million of lottery funds and a further \$1 million from the ministry's own funds have been allocated to universities to assist in the training of individuals in different health and safety disciplines. At McMaster University, for example, diploma-level courses are offered to qualified individuals already working in the occupational health field. At the University of Toronto, on the other hand, post-graduate occupational health training is provided for engineering and medical students.

I should add that a further \$500,000 of lottery funds have gone towards student bursaries and approximately \$700,000 have been allocated to other training programs for the development of specialized courses on such subjects as occupational health nursing, industrial hygiene and noise and dust control. These programs are ordinarily administered by community colleges or trade unions.

I also wish to note that over the past three years \$400,000 of lottery funds and an additional of \$295,000 from the ministry's own budget have been allocated to the Occupational Health Clinic at St. Michael's Hospital in Toronto. This clinic focuses on the diagnosis and prevention of work-related diseases. Clinic staff also advise the parties in the work place on measures and procedures that can be taken to improve worker health. The clinic provides a practical setting for medical students from the University of Toronto to gain expertise in the treatment of occupational diseases.

The ministry has also undertaken other important initiatives in the area of training. As indicated earlier in my remarks, the mining health and safety branch, in conjunction with labour groups and the Mines Accident Preven-

tion Association of Ontario has produced a series of instructional modules relating to the mining regulations. The new modules complement those that were developed in previous years. Their contents are designed to explain the intent of the legislation and to provide information on the hazards associated with certain classes of equipment and mining techniques.

I would also like to mention that the ministry is preparing a study of all occupational health and safety training and education programs in the province. The survey will examine programs in school systems, the education of occupational health and safety professionals, the training of employers, supervisors and workers, and the feasibility of implementing multipartite training programs for labour, management and Ministry of Labour inspectors. Once the survey is completed, the division will be in a better position to define its role in the overall scheme of health and safety education and training in the province.

I would now like to turn for a moment to the area of research. I should note, at the outset, that the Ministry of Labour, through its lottery program, continues to provide active support for applied research in the field of occupational health and safety. In the 1984-85 fiscal year, for example, over \$1 million has been earmarked for such diverse projects as the investigation of changes in vision after prolonged use of video display terminals, the characterization of steel foundry mutagens, and the handling of anti-cancer agents by nurses.

Currently there are nine applied research projects in progress that have been funded by the lottery program. A further 12 projects are being peer-reviewed.

The ministry has also been active in the field of applied research. A prime example of the ministry's commitment in this area is the Study of Mortality of Ontario Miners, which I tabled in the Legislature in May 1983. I am pleased to report that the initial results of the second phase of the study were presented to the International Conference on Occupational Radiation Safety in Mining last month. This part of the study deals with the relationship between exposure to radon daughters in mines and the resulting incidence of lung cancer. It is expected to be completed in 1986.

I should also add that in-house epidemiological studies are being conducted on workers exposed to friction products containing asbestos, and on workers other than miners who have been exposed to silica. I also wish to note that the

safety studies service of the ministry is involved in a physiological and biomechanical study involving the work tasks performed by concrete reinforcement workers. It is hoped the results of this investigation will lead to the development of work practices that will reduce the incidence of back injury among this category of workers.

I should add that the radiation protection service of the ministry has recently completed a survey of 4,500 work places in order to identify the use of nonionizing radiation devices. Although the data have not yet been fully analysed, they have been used to locate radio-frequency heat sealers for subsequent inspection by ministry officials.

I would now like to discuss the progress the division has made in evaluating its statistical needs. As I am sure all members will appreciate, adequate statistics are essential to permit any government agency to recognize adverse trends and to initiate preventive measures. In order to ensure state-of-the-art statistics are available within the division, a task force has been established to assess the information needs of the individual branches and the groups within the division that are responsible for long-term planning. For the present, information is being obtained from the data files maintained by the Workers' Compensation Board and from Ministry of Labour inspection and investigation reports.

The WCB data, although adequate for information on injuries, is less than adequate for occupationally related illnesses and, possibly, for occupationally related diseases as well. Occupational disease claims, both compensation and medical aid cases, accounted for 7,078 cases, or 2.2 per cent of all claims allowed by the board between January and December 1983. The division is looking at ways to resolve these problems and to improve the statistics generated with respect to occupationally related diseases and illnesses.

While on the subject of new initiatives, I would like to spend some time talking about the health and safety of miners. As committee members may remember, the Joint Federal-Provincial Inquiry Commission into Safety in Mines and Mining Plants in Ontario, the Burkett commission, was established in July 1980. This body, which was funded jointly by the federal and Ontario governments, was asked to examine the adequacy of existing arrangements and practices that could affect the safety of workers in mines and mining plants in Ontario and to make appropriate recommendations on this important

subject. The commission was, in part, appointed because of a concern about the unusually high number of mining fatalities that were recorded in 1980.

In an effort to gain an understanding of the safety practices in place in the mining industry at the time and to permit all parties to participate fully in its deliberations, the Burkett commission undertook a multifaceted inquiry. The commission, among other things, conducted public hearings, visited a number of mines and mining plants, contracted for several research papers and commissioned an update of the statistical data contained in an earlier royal commission report.

In April 1981 the report of the Burkett commission was released. This very comprehensive document contained a total of 83 recommendations which dealt with the following topics: (1) The responsibilities of chief executive officers, front-line supervisors and workers; (2) What the commission referred to as the contributive responsibilities of joint health and safety committees, company safety departments, unions, the Mines Accident Prevention Association of Ontario and the mining health and safety branch of the Ontario Ministry of Labour; (3) Worker training; (4) Ground control techniques; (5) The use of alcohol and drugs; (6) Lighting; (7) The available accident data base; (8) Jurisdictional and administrative arrangements for the safety of Ontario uranium miners; (9) The production bonus.

2:20 p.m.

The majority of the commission's recommendations were directed towards the policies and administrative procedures pursued by individuals and organizations with responsibility for the health and safety of miners. The commission's final recommendation was that a follow-up inquiry into the adequacy of safety practices and arrangements in Ontario mines and mining plants be undertaken within three years of the release of the report.

Since the date when the commission's report was made public, my predecessor, the member for York East (Mr. Elgie), my officials and I had periodically met with senior representatives of labour and management in the mining industry. The purpose of these meetings has been to obtain status reports on the implementation of the commission's recommendations.

Quite apart from these sessions, many additional meetings have been held by the relevant parties to discuss the recommendations and the steps taken to adopt them. These consultations have shown that the vast majority of the

recommendations put forward by the commission have been implemented.

The unforgiving nature of the mining environment was recently brought home again with the recent rockburst activity at the Falconbridge mine which, on June 20, 1984, tragically took the lives of four miners. As you are aware, ground movements also occurred on July 6, 1984, at the Inco Creighton mine. Fortunately, no one was injured. As a result of these potentially dangerous conditions, the Falconbridge mine and a section of the Inco Creighton mine were closed.

In consideration of the recent rockburst activity in the Sudbury area, and on the basis that it had been just over three years since the report of the Burkett commission was tabled, on July 13, 1984, I invited representatives of labour and management in the mining industry to attend a follow-up meeting to review with me the status of the substantive recommendations put forward by the commission.

I also asked the participants to discuss, first, the manner in which the further inquiry recommended by Dr. Burkett should be structured; second, mechanisms that might be employed to accelerate the implementation of these recommendations that had, as yet, not been fully adopted; and third, other approaches that might be employed to enhance worker health and safety in mines and mining plants.

During the session in question, which took place on July 30, 1984, the labour and management representatives present agreed with my proposal that an ad hoc committee be established to develop terms of reference for a follow-up inquiry to the Burkett commission. I requested that the committee provide me with advice on the number and type of members who should be appointed, their scope of authority and the length of time they should sit before reporting.

On August 31, 1984, I received the report of the ad hoc committee. The committee recommended, first, that I call a meeting of all mining industry organizations and unions representing workers in Ontario. The purpose of this session would be to discuss the briefs put forward by the parties in response to the Burkett commission recommendations. The committee also suggested that all relevant subjects, except ground control and emergency preparedness, could be discussed at this session.

The ad hoc committee's second recommendation was that a focused inquiry into matters relating to ground control and emergency preparedness in Ontario mines should take place

within the next six months. It was further proposed that the inquiry should be completed by the end of March 1985.

The committee recommended that the following topics should be addressed under the general heading of ground control: (1) Rock mechanics, including the development of expertise locally or provincially, at the post-graduate level, to ensure that suitably trained individuals are available to work in the mining industry; (2) The development and provision of appropriate training at all levels within the work place; (3) New mining methods, including pillar recovery methods—

Mr. Mancini: I am sorry for interrupting, but it strikes me as a little odd that on page 120, item 1 says, "Rock mechanics, including the development of expertise locally or provincially, at the post-graduate level, to ensure that suitably trained individuals are available to work in the mining industry." Are we relating that to one of the problems in the rockburst?

Hon. Mr. Ramsay: Yes, there are very few experts in rock mechanics in Canada—and in the world, for that matter. It is a relatively new engineering discipline and we want to encourage the development of that discipline. For example, when Falconbridge did its own inquiry and then Inco did another inquiry on the Creighton rockblast, they brought in rock mechanics. They brought in one all the way from South Africa, for example, and another one from the United States.

We do have some expertise but not sufficient expertise. It is a very important matter.

Mr. Mackenzie: It is an area that was also highlighted by the Inco committee some two, three or four years ago now. At that time there was quite a bit of discussion on the availability, or lack thereof, of rock mechanics and the use that was or was not made of them, so it seems to me it is not something we have just become aware of.

Hon. Mr. Ramsay: Oh, no.

Mr. Mackenzie: The shortage there was realized some long time ago.

Hon. Mr. Ramsay: Yes, and we had some correspondence with the universities, Dr. Curlock and others, with respect to this before this particular recommendation was made.

Mr. Mancini: The company cannot train these people?

Hon. Mr. Ramsay: I do not know how to respond to that.

Mr. Armstrong: Actually, the rock mechanics, as the statement indicates, are trainable at a university setting in the first instance.

Hon. Mr. Ramsay: They have to be engineers to begin with.

Mr. Armstrong: As the minister says, it is a specialty area of engineering. Then, of course, their expertise is augmented on the job, as is the case with most occupations; but you have to start with an engineering background and then specialize in this area.

Mr. Mancini: I know you have this inquiry that went on, but how does the actual rockburst that took place relate to these mechanics?

Hon. Mr. Ramsay: We are looking to the future.

Mr. Mancini: I see; okay.

Mr. Mackenzie: It is like a body count: it depends on how much trouble you have before you start moving on it.

Mr. Chairman: Item 3.

Hon. Mr. Ramsay: To carry on: (3) New mining methods, including pillar recovery methods, the introduction of new machinery, automated or remote control techniques, lighting and communications; (4) Uniform monitoring standards applicable to worker safety in the mine environment, including a review of available techniques and instrumentation.

The issues the committee felt should fall under the rubric of emergency preparedness include first aid, procedures and equipment for emergency responses and recovery procedures in nonfire emergencies.

I endorsed and accepted the committee's view that a general discussion of the Burkett commission's recommendations, coupled with a focused inquiry into the factors that have been primarily responsible for fatalities in Ontario mines, would be a worthwhile exercise.

On the basis that, first, the federal government has jurisdiction over worker health and safety in uranium mines in the province and, second, the recommendations put forward by the Burkett commission, particularly as they relate to ground control, necessarily cut across federal-provincial boundaries, I recently wrote to the Honourable Pat Carney, Minister of Energy, Mines and Resources, to determine whether the federal government would agree to participate in and contribute to the proposed inquiry.

Mr. Mancini: I am sure she volunteered to pay for the whole thing once she heard from you.

Hon. Mr. Ramsay: It was a pretty positive response, I would say, all part of the new feeling of co-operation.

Mr. Mancini: Yes; we are going to bring that up later on.

Hon. Mr. Ramsay: That is fine.

In response to the advice from labour and management in the mining industries and the positive reply from the federal government, on October 24, 1984, I appointed a ground control and emergency preparedness committee under section 11 of the Occupational Health and Safety Act. The committee is chaired by Mr. Trevor Stevenson and has an equal number of labour and management representatives. I look forward to receiving the committee's report by the end of this fiscal year so we may move forward to a better understanding of these important areas and take the measures found to be necessary.

With respect to the ad hoc committee's first recommendation, I wish to inform all members that a meeting with all relevant parties has been called for November 26, 1984, to discuss further the recommendations put forward by the Burkett commission.

While on the topic of ground control I note that my ministry is taking complementary additional initiatives that may begin immediately. On October 9, 1984, I wrote to labour and management representatives in the mining industry to alert them to three ministry initiatives.

2:30 p.m.

These are: (1) The ministry will enter into an agreement with the Canada Centre for Mineral and Energy Technology and the United States Bureau of Mines on studies related to rock mechanics and ground control as they apply to the mining industry; (2) The ministry will acquire a portable microseismic monitoring unit, which will be available for emergency use and during mine rescue operations in our mines; (3) The ministry will encourage undergraduate and graduate rock mechanic training in Ontario mines by providing summer employment for three to five students per year.

I want to make the aside that setting up the ad hoc committee was in response to demands from various sources for an inquiry into the tragic circumstances at Falconbridge and into the rockburst that occurred at Inco's Creighton mine. I was fully prepared to set up the terms of reference for such an inquiry, but I gave the ad hoc committee the opportunity to come to me with its recommendations. If there had not been consensus on the committee, I was prepared to set up the terms of reference accordingly.

I was very pleased that when the labour and management people got together and sat down over two meetings they came up with a unanimous report to me. They were on side on every point. To me, it was another example

where, rather than having government come in with a heavy stick and say, "This is what you are going to do," labour and management sat down together and came to me and said, "This is what we agree should be done." I was very pleased with the work of that committee.

From the remarks I have made today, it is evident the administrative program in place and under development by the occupational health and safety division is addressing occupational health and safety concerns in the province in a comprehensive and systematic manner. The challenges continue to be enormous. To provide adequate service to 167,000 diverse work places and, at the same time, to be in the forefront in regulatory development places enormous demands on the skills and energies of my officials.

As I stated at the outset of my remarks, I firmly believe they are equal to the task. The workers of this province can continue to be assured the ministry will deliver its services and develop the programs necessary for their health and safety.

Let me turn to another important mandate of the ministry, the provision and enforcement of minimum employment standards for workers in this province.

This program strives to achieve equity and justice in the work place and thus contributes to a better and more productive working environment. It is the responsibility of this ministry to ensure that legislation and its administration in this area remain responsive to the continually changing values, needs and concerns of the work place. To meet this objective, we review the current legislation on an ongoing basis, revise the existing employment standards periodically and introduce new employment standards as and when needed.

Our approach to this task is, and has been in the past, a consultative one, soliciting the views of labour and management, and reviewing and monitoring the relevant legislation of other jurisdictions. In this process, it is incumbent on us to ensure those members of our society who are less able to assert their rights and who, for that matter, are dependent on the existence of statutory employment standards for their protection, continue to receive protection that is adequate, equitable and fair, according to the accepted societal standards.

With regard to the new part XI-A of the Employment Standards Act prohibiting the employment-related use of lie detector tests, I am pleased to be able to report thorough compliance. Since part XI-A became effective in December 1983, only one complaint has been received and,

upon investigation, no contravention of the act was found.

In comparison, members will recall that, prior to the introduction last year of Bill 68, significant numbers of employees and job applicants were being subjected to lie detector tests and growing numbers of their cases were being brought to the attention of this ministry.

Mr. Mancini: May I have a short question, if you do not mind?

I am curious. There is only one complaint and everybody is complying. I was wondering how the companies were getting along without the lie detectors since they were so strong in their opposition to Bill 68 and said it was going to be absolutely impossible to deal with the employment situation without them. I am just very curious to know—

Mr. Chairman: Minister, that will probably be a question on which we will want a little broader discussion.

Hon. Mr. Ramsay: Yes. I think the statistical data I gave—only one complaint—indicates they obviously are.

The Employment Standards Act, as members are aware, was amended in two other respects this year. Bill 62 addressed a problem that arose in industry where workers were being required to elect between severance pay and recall rights retention within a short period of time after their employment was terminated. Workers now have up to 12 months in which to make their election. The severance pay moneys that may be owed will be held in trust by the director of employment standards during the interim period to ensure the funds will be available for payment at a later date.

If memory serves me correctly, that was a point brought to our attention by the member for Hamilton East, is that correct?

Mr. Mackenzie: Right.

Hon. Mr. Ramsay: I acknowledge that suggestion, not only because I think it was a good suggestion but because I think there was some comment made at the start of the session today that we had not reacted to any of the suggestions you had made in the past. There is just one example.

Mr. Chairman: Try not to be too provocative.

Hon. Mr. Ramsay: No, I am not at all.

Mr. Mackenzie: It was a minor one. That is not the way I would have gone with it totally either.

Mr. Mancini: We can go into that in more detail later on.

Hon. Mr. Ramsay: The other amendment to the act provides for the deposit of wages owing and paid in trust to the director of employment standards, pending a review under section 50 of the act, to be placed in an interest-bearing account. The wages and the interest will be paid out in accordance with the referee's order.

Where the director appoints a referee to hear a case under section 51 of the act, the amendment also authorizes the referee to award interest on amounts found to be owing to employees. This provision gives a greater measure of fairness to both employers and employees where a determination concerning wages owing is before a referee.

In November 1983 I announced an increase in the general minimum wage from \$3.50 to \$3.85 an hour effective March 1 this year, and from \$3.85 to \$4 per hour effective October 1. This revision, totalling 50 cents per hour, represents an overall increase of 14.3 per cent in the general minimum rate.

Consistent with this rise in the general minimum wage, the various special minimum wage rates were also increased. These increases benefited some 200,000 workers in the province earning close to the minimum wage. They were also of special benefit to women in the work force, who represent a majority of minimum wage earners.

Subsequently, in May 1984, following consultations with the agricultural sector, I announced an increase in the adult minimum wage for harvest workers from \$3.50 to \$3.85 per hour effective June 1, 1984, and an increase in the student rate from \$2.65 to \$3 per hour, to be effective on the same date. These rates for fruit, vegetable and tobacco harvesters will be reviewed again prior to the next harvest season.

The minimum wage rates for domestic workers were also raised in March and October this year. On March 1, 1984, the employment standards regulation for domestic workers was further amended to improve their protection under the act. "Live-in" domestics and nannies are now entitled to an additional 12 consecutive hours off per week over and above the 36 consecutive hours of weekly duty-free time already provided by the regulation.

I am aware of the many concerns members have about the adequacy of the present employment standards regulations for domestics. In my view, some of these concerns warrant detailed examination. Little information respecting the

prevailing wages and working conditions of domestics is generally available.

Consequently, the ministry has retained the services of a consulting firm to collect the required information directly from domestics and their employers. The consultants' study is now nearing completion. Based on the data from this study, the ministry will undertake a comprehensive review of the existing employment standards pertaining to domestics.

In the area of notice of termination, the Employment Standards Act requires that employers pay regular wages for a regular, nonovertime work week to employees given notice. This requirement has created difficulties for employers participating in the federal work sharing program.

2:40 p.m.

Where employers wished to terminate employees in work sharing, this notice requirement obliged them to restore these employees to full wages for a regular work week without regard to the reduced work week inherent in work sharing and any work-sharing supplements paid to employees under unemployment insurance. At least one employer withdrew from work sharing because of this requirement.

The ministry supports the federal work-sharing program and encourages employers to consider its use as an alternative to laying off employees. To further this support, regulations under the Employment Standards Act were amended, effective May 1984, to remove this impediment to employer participation in the work-sharing program.

The effect of these amendments is that payments received by the employee during the notice period under the Unemployment Insurance Act pursuant to a work-sharing program are taken into account in determining whether the employee has received the appropriate payments for the notice period under the Employment Standards Act.

Another matter of serious concern for this government has been the issue of wage and benefit protection in insolvency situations. As members will recall, Mr. D. J. M. Brown, QC, was appointed in June 1983 to undertake a commission of inquiry into this area.

Progress was interrupted last fall when it appeared that federal action to amend the Bankruptcy Act was imminent. The significance of this initiative was that, for the first time, the federal government appeared on the point of legislating not only with respect to bankruptcies, but also with respect to receiverships, so the

provinces would be pre-empted from any activity in this area. However, the proposed federal bill died this summer, following its second reading earlier this year, and Mr. Brown has consequently resumed his inquiry. His report, which will examine the feasibility of a wage insurance fund, a "super priority" for wages and enriched directors' liability, is nearing completion.

In the important area of enforcement, the employment standards branch continues to experience a high volume of activity with more than 640,000 telephone inquiries, over 28,000 personal interviews and 17,500 formal complaints received during the fiscal year 1983-84.

Electronic telephone messages, which provide basic information on major employment standards and complaint resolution procedures on a 24-hour, seven-days-a-week basis, were accessed 48,000 times during their first nine months of operation. About 150,000 copies of the Guide to the Employment Standards Act and 20,000 copies of the act itself were distributed to the interested public.

While the complaint intake rose by 11 per cent over the previous fiscal year, complaint resolution improved significantly. For example, 51 per cent of resolutions were completed within 30 days, compared to 41 per cent in the previous fiscal year. The average turnaround time dropped by 15 days, from 69 to 54. The amount collected on behalf of employees increased by 31 per cent over the last fiscal year to a total of \$10.1 million, with a four per cent increase in the number of employees benefiting.

I want to pay tribute to the branch for those improvements which were the subject of discussion at further estimates. The branch was operating with limited resources, but quite obviously it has done an excellent job in this respect.

The employment standards branch has expanded its collection efforts to include delinquent employers. In conjunction with court-approved examinations, branch personnel are pursuing a program of mediation. Employers suffering severe financial hardship are invited to work out satisfactory arrangements for payment, so they may continue in business and also meet their obligations to employees for past wages.

In addition, greater use is being made of the collection provisions of the act. Preliminary results indicate that during the last 12 months new procedures have resulted in successful collection in approximately 100 files previously considered uncollectable, benefiting approximately 3,500 employees.

The specialized collection unit, set up in the branch dealing with receiverships and bankruptcies, received support when the landmark case of Windsor Packing Co. Ltd. was decided in favour of the branch's position. The case has been appealed to the Divisional Court and is expected to be heard early in the spring of 1985. This case affirmed that the vacation pay trust takes priority over many kinds of security instruments held by banks and other financial institutions.

Branch efforts in this direction have resulted in several millions of dollars of vacation pay benefiting former employees of insolvent businesses.

Through public information sessions with financial, legal and accounting communities throughout the province, branch personnel have been instrumental in the payment of several million dollars of vacation pay directly to employees of insolvent businesses without the necessity for legal action.

In addition, specialists in this area at the branch are frequently requested by receivers, trustees, prospective purchasers and employee representatives to assist in arriving at mutually satisfactory arrangements for payment in order to alleviate financial hardship before the business becomes extinct.

I would now like to turn to the ministry's responsibilities in the field of plant closures and employee adjustment.

During the first eight months of 1984, the total number of employees affected by permanent and indefinite layoffs has shown a continual decline from the previous two years. For instance, during the period January through August 1984, 115 establishments reported permanent and indefinite layoffs affecting 9,179 employees, compared with 136 establishments affecting 13,536 employees during the same period in 1983. In the number of workers affected, this represents an approximate 32 per cent decrease. The comparison is even more dramatic when one examines the same period in 1982, during which 27,717 employees in 253 establishments were terminated.

This picture is certainly an encouraging indication that the economy is in a stage of recovery. However, I do not want to underestimate the seriousness of the current situation. The members are only too aware of the fact that large-scale cutbacks and closures continue to occur in the province.

A very important aspect of the mandate of the plant closure review and employment adjustment

branch is to intervene, as quickly as possible, whenever we hear that a large-scale cutback or plant closure may occur.

Either I or my special adviser, Mr. Bob Joyce, on my behalf, meet with representatives of both the company and the union, or groups of employees if there is no union, to discuss the reasons that have led up to the decision to close.

One of the very first questions we ask company representatives who have come to give us the bad news is: "Are you certain that your decision is final? Is there not some way, some government program, that may help you change your mind?"

Unfortunately, in the majority of situations the answers we usually get are, "Yes, the decision is final," and, "No, we do not feel there is any chance it can be reversed." The company officials then go on to lay out in detail the economic reasons that have led them to this decision.

However, we are sometimes, although unfortunately not often, able to forestall a closure decision. As the members know, in my own riding of Sault Ste. Marie, the Abitibi plant was in danger of being permanently closed for, in the company's opinion, very sound economic reasons. The jobs of over 500 plant employees were at stake, as well as those of a large number of workers in the woodlands operations.

We were able to get the parties—union and management—together, and with the able assistance of my colleagues and their staffs were instrumental in the Abitibi plant being sold as a going concern, which preserved the jobs of hundreds of workers.

Incidentally, we also worked with the Ministry of Industry and Trade in that respect. We jointly sponsored a study. Involved in the study was a special committee that had representatives from the two ministries, the unions involved and management.

Mr. Mancini: Was there financial assistance from the province?

Hon. Mr. Ramsay: Yes, \$2.4 million was provided for capital expenditures. It was not provided to help with the purchase or anything like that, but for capital expenditures to upgrade the equipment.

Mr. Mancini: Was that a grant?

Hon. Mr. Ramsay: It was a grant. The \$2-million portion of it was matched by the federal government.

Mr. Mancini: It was \$4 million.

2:50 p.m.

Hon. Mr. Ramsay: It was \$4.4 million. When we got down to the bottom line and within hours of signing the agreement, there was an \$800,000 difference. There were some last-minute meetings involving the Treasurer (Mr. Grossman), myself and representatives of Abitibi-Price, and after a lot of negotiation Abitibi-Price absorbed \$400,000 and the provincial government picked up the other \$400,000.

We had hoped—this is not because the question comes from you, Mr. Mancini—at the time to have the federal government do as they had with the first \$4 million, to split it. We had hoped to have them split the \$800,000. The Treasurer was willing to give another \$400,000 if the federal government would do the same. The federal government refused, despite our best efforts, and as a result we had to get involved with Abitibi-Price. Nevertheless, it was all put together.

This is not the only case of a closure decision being turned around. A medium-sized company in Guelph, Guelph Engineering, is now assured of its future, at least in the short term, as a result of the endeavours of several people both inside and outside of government.

When a closure decision is final and employees are faced with the prospect of losing their livelihood, my ministry, through the plant closure review and employment adjustment branch, can help to lessen the impact.

Often, the early involvement of Mr. Joyce, my special adviser, or one of his designates, will help to prevent or at least to minimize the labour-management conflict in a closure situation and will help both parties to work together in a more effective manner to assist the employees.

One of the first things we do when we meet with employers is to impress upon them the need to involve their employees, to keep them in the picture and as up to date as possible throughout the phasing-out period. We are often called upon to intervene in situations that have arisen solely because the employees whose jobs are at stake have not been kept informed. As I have mentioned, we are always available to bring both parties together when and if necessary.

The plant closure review and employment adjustment branch participates in two major adjustment programs designed to assist employees whose jobs are being lost.

The first program is a joint endeavour with the Canada Employment and Immigration Commission. The cost-shared agreement between our two levels of government helps to set up joint

labour-management committees that examine all aspects of manpower displacement, including job finding and mobility assistance. Both the employer and the employees have representatives on these committees and federal and provincial officials act as advisers.

During the calendar year 1983, 57 labour-management committees were established. Of this number, 42 have completed their adjustment programs, in which 3,065 employees, or 70 per cent out of a total of 4,385 employees whose jobs were terminated, asked for committee assistance. This compares with a total of 64 per cent of terminated employees asking for committee assistance during the same period in the previous year.

Happily, the success rate of these committees has also increased. A total of 2,058 employees, or 67 per cent of these employees seeking committee assistance, were successful in finding alternative employment, compared with 53 per cent for the same period in the previous year.

A point was made by Mr. McClellan yesterday in debate that there was nothing done to help these people, that there was no safety net. I tried to point out in response that we were having a measure of success. I did not have these exact figures with me at the time, but they are in the record now: 67 per cent of those employees seeking committee assistance were successful in finding alternative employment, compared with 53 per cent for the same period in the previous year. So, my statement of a measure of success I think perhaps was understated.

In addition to assisting terminated employees by participating in the joint labour-management adjustment committee process, my ministry also continues to provide additional assistance through the employee counselling program to employees who lost their jobs in plant closures.

As the members are no doubt aware, this program, now in its fourth year, provides counselling assistance, with the co-operation of the Ministry of Colleges and Universities and local community colleges, for employees who have permanently lost their jobs due to the partial or complete closure of their employers' places of business.

During fiscal year 1983-84, a total of 26 counselling programs were undertaken in situations involving the complete or partial closure of businesses in Ontario. Over 1,500 employees received counselling assistance towards the location of more stable employment. To date in the 1984-85 fiscal year, a total of 19 programs

have been established and another three are under development.

While the counselling program concentrated initially on closure and partial closure situations involving at least 50 employees, counselling is now offered in smaller closure situations where the need is apparent and in those large-scale reductions in operations that, while they are not closures, do involve permanent job losses.

We are very encouraged by some of the results we have experienced in our counselling programs. In the recent case of Canada Packers in Toronto, for instance, more than 100 of the 320 employees who participated in the counselling sessions are now enrolled in training programs, ranging from academic upgrading to technical skills training.

As the members are aware, Ontario is the only provincial jurisdiction in Canada that has legislated severance pay provisions. Severance pay must be paid to employees with at least five years of service whose employment has been terminated in partial or complete closure situations involving at least 50 employees.

The legislation came into effect in July 1981, with certain provisions retroactive to January 1, 1981. For the first three years in which the legislation was in effect—January 1, 1981, to December 31, 1983—a total of 172 cases of complete and partial closures occurred where severance pay was required to be paid to the affected employees. To date, information has been received on 159 of these cases, in which a total of 8,896 employees have received some form of severance pay totalling in excess of \$46.6 million.

The ministry has undertaken a series of studies designed to provide us with more information on effects of plant closures on employees. Two case studies have been completed. One involved employees terminated as a result of a closure in Lindsay, Ontario, which was completed two years ago, and another involved a closure in St. Catharines, Ontario, which was completed last year. Copies of the reports of both of these studies have been provided to the members.

In addition, the report of a larger study that involved a survey of over 1,700 employees who were terminated in 21 plant closures across Ontario has also been released to the members.

I would now like to turn to the programs and initiatives of the Ontario Human Rights Commission as it moved into the first full fiscal year of implementing the provisions of the new Human Rights Code. As you will remember, the new code was passed as law on June 15, 1982.

The chairman, commissioners and staff continued to take the opportunity presented by the recent passage of the new code to initiate consultations with senior officials of major institutions, corporations and organizations to inform them about the provisions of the code and to assist them in the development of human rights policies and preventive programs.

The commission's public education program was particularly active in 1983-84. The chairman travelled throughout the province, participating in approximately 400 events concerning the new code and the commission's programs.

In addition, the commission continued its public education and liaison undertakings with labour, business and industry, voluntary social agencies, racial and ethnic organizations, women's groups, professional associations and religious institutions.

These programs attempt to eradicate the prejudicial attitudes that underlie discriminatory acts. The commission analyses the phenomenon of negative stereotyping, whether based on race, ethnic origin, creed, sex, handicap or age. To this end, the public education program includes conferences, lectures, training seminars, workshops, public information campaigns and distribution of publications and audio-visual materials.

Public education undertakings for the fiscal year 1983-84 totalled 1,240 and included planning and co-ordinating seminars, and designing and conducting a series of workshops in human rights and race relations for employers and professional associations.

In an effort to increase its contact and stimulate dialogue with community leaders and organizations, the commission has begun to hold several meetings a year in towns and cities throughout the province. This initiative began on November 7, 1984, when the commission and members of staff met with more than 200 groups and individuals in London. A similar open meeting is planned for February 1985 in Ottawa.

On February 7, 1985, the chairman of the human rights commission will host a conference on equality of opportunity in employment to which 100 chief executive officers of Ontario's largest corporations are being invited to discuss with the commission the provisions of the code relating to discrimination in employment as well as the role of special employment programs in remedying systemic discrimination.

3 p.m.

In Ontario we face tremendous challenges in the 1980s in light of rapid technological change,

a more complex society, economic difficulties and constraints and a greater awareness of human rights among minorities, women, and persons with handicaps. It is becoming apparent that meeting these challenges involves equality of opportunity programs and an increasing recognition of and role for human rights principles and practices.

The basic theme of the conference will be twofold: that compliance with the provisions of the code makes good business sense, and examination of the myths and misperceptions surrounding the impact of human rights legislation on the business community.

In addition to this forum, the chairman is also meeting individually with chief executive officers of Ontario companies in order to discuss specific issues and concerns relating to the commission's conciliation and compliance program.

It is no accident that the preamble to the Human Rights Code reflects the language of the United Nations Universal Declaration of Human Rights. In December 1983, the commission paid tribute to the 35th anniversary of this declaration by way of Human Rights Day/Week. We were particularly honoured by the unveiling of a commemorative human rights scroll in the lobby of the main legislative building by the Premier (Mr. Davis). Fifteen thousand scrolls, which reproduce the preamble and part I of the code, have been and are continuing to be distributed to schools, employers, unions, mayors and community organizations throughout the province.

I will briefly review the new provisions of the code before I turn to a discussion of the program initiatives in the area of conciliation and compliance. The new code provides the right to freedom from discrimination in the display of signs and notices, services, goods and facilities, accommodation, employment, contracts, membership in vocational associations and trade unions and reprisal actions, on the grounds of race, colour, ancestry, place of origin, ethnic origin, citizenship, creed, sex, handicap, age—that is, 18 to 65 years as far as employment goes and 18 years and over in all other areas—marital status, family status, receipt of public assistance—that is, in accommodation only—and record of offences—that is, in employment only.

Also prohibited are harassment of an employee by the employer or another employee because of any of the prohibited grounds, harassment of an occupant of accommodation by the landlord or another occupant because of a prohibited ground and sexual solicitations or

advances made by persons in positions to confer, grant or deny a benefit, as well as reprisals or threats of reprisal by such a person against individuals who reject the solicitations or advances.

As I have mentioned, the code draws its philosophical inspiration from the United Nations Universal Declaration of Human Rights. It is public policy in Ontario "to recognize the dignity and worth of every person and to provide for equal rights and opportunities without discrimination that is contrary to law."

During the 1983-84 fiscal year, 1,237 complaints were registered with the commission, which marks a dramatic increase of 49 per cent over the 831 cases registered in 1982-83. Each complaint is assigned to a human rights officer, who conducts an investigation into the allegations. Upon completion of the investigation, the officer attempts to conciliate a settlement acceptable to all parties involved. All settlements are approved by the commission before the case is closed.

The volume of complaints received continues to grow during the current fiscal year. In the period from April to September of this year, 861 complaints were filed. The number of cases resolved totalled 1,012 in 1983-84, and 484 complaints were resolved in the period from April to September of this year. It is expected that a total of 1,430 complaints will be resolved during the fiscal year 1984-85.

During 1983-84, the rapid case processing system was continued throughout the province following its success as a pilot project in 1980-81. As a result, the length of time required to resolve cases was significantly reduced and there was favourable reaction from complainants and respondents to the fact that cases are now completed more quickly without jeopardizing the quality of work. The commission continues to review this procedure and make improvements to it.

During fiscal year 1983-84, monetary remedies obtained in settlement totalled \$865,189 in compensation, both for special damages and for mental anguish, which was received by 326 complainants. In 1982-83, the figure was \$534,058, which was received by 198 complainants. In addition, 298 complainants received offers of the job or facility denied or the next available job or facility.

Fiscal year 1983-84 marked the first full year of implementation of the provisions of the new code relating to handicap. Statistics on complaints received during the year indicate that the

volume of complaints alleging discrimination because of handicap exceeded the number of complaints on any other single ground. During the current year, a continuing increase in complaints alleging discrimination because of handicap is evident. From April to September of this year, 241 such cases were filed, compared to only 65 cases registered during the same period of 1983.

The code provides the right to freedom from discrimination on the ground of handicap in the areas of services, goods and facilities, accommodation, contracts, employment and membership in vocational associations. Harassment because of handicap is also prohibited in employment and accommodation.

Handicap is defined as any degree of physical disability, mental retardation or impairment, learning disability or a mental disorder. Lack of appropriate means of access does not by itself amount to discrimination contrary to the human rights code. Moreover, it is not a contravention of the code to deny a person a job, service or accommodation if the individual is incapable of performing the essential duties or requirements of the job or is incapable of fulfilling the essential requirements of the service or accommodation.

In most complaints filed, the respondent admits that a person was refused a job, dismissed or otherwise discriminated against because of the handicap. This is often because of the prejudiced assumption that the handicap in question must necessarily impede the individual's job performance and because of a lack of knowledge about the abilities and potentials of persons with handicaps.

The question to be resolved then is whether the person is capable of performing or fulfilling the essential duties or requirements of the job. If so, this renders the discrimination impermissible under the code. To assess whether a person can fulfil the essential duties of a job, it is necessary to evaluate both the demands of the job and the corresponding abilities of the individual.

To assess the ability of the person to fulfil the essential requirements may entail considerations of safety, in that one of the essential requirements of performing a job is being able to perform it without placing co-workers or members of the public at risk.

Some major issues dealt with during the year included the examination of physical standards established for firefighters and police officers such as visual acuity, colour-blindness, obesity, diabetes and allergies.

Mr. Mancini: Height?

Hon. Mr. Ramsay: That is a physical standard.

Mr. Piché: If I had said that, he would have taken issue, I am sure.

Mr. Samis: You are talking about weight-bulk.

Hon. Mr. Ramsay: That is in there.

Mr. Mancini: I do not think the height of the Treasurer (Mr. Grossman) has anything to do with his being third in the leadership race. It has nothing to do with it.

Hon. Mr. Ramsay: Moving right along, those procedures that are not based on ability to perform the essential duties of the job and that adversely affect the employment opportunities of persons with handicaps are not permissible under the code.

Complaints registered against insurance companies where complainants alleged that they were refused insurance coverage because their handicaps were believed to place them at risk have also met with considerable success. Resolution of these complaints has resulted in mentally and physically disabled applicants being assessed on their individual merits rather than on group characteristics. An individual with a handicap has an equal right to contract for insurance unless the insurance contract differentiates on reasonable and bona fide grounds because of the handicap in question.

The commission continues to provide an educational and consultative service regarding discrimination because of handicap on a province-wide basis for business, industry, unions, vocational associations, education systems, intergovernmental and intragovernmental agencies and voluntary and religious associations.

3:10 p.m.

Further, members of staff conduct seminars for supervisors and managers within the Ministry of Community and Social Services and the Workers' Compensation Board to increase their awareness of the provisions of the code relating to handicap.

In-house seminars are conducted with associations for the handicapped and social service agencies to promote and facilitate information exchange, contact development and networking. The Ontario Association for the Mentally Retarded, the Ministry of Labour's handicapped employment program, the Canadian National Institute for the Blind, Persons United for Self-Help and the Blind Organization of Ontario with Self-help Tactics, to name a few, have been

consulted. They participate actively in assisting the commission to deal with formal complaints.

Lawyers from the Advocacy Resource Centre for the Handicapped have frequently represented complainants during fact-finding conferences and conciliation. The Canadian Hearing Society has also assisted with the complaint process by providing interpreters for complainants who are hearing-impaired as well as by testing complainants' hearing ability in light of the essential duties and safety factors of particular jobs. Epilepsy Ontario and its member branches have provided the commission with information on epilepsy and the factors that may or may not pose a risk to the worker, co-workers or members of the public.

Upon the filing of a complaint, section 16 of the human rights code provides that the commission may use its best endeavours to bring about a settlement regarding the provision of access or amenities or regarding the duties or requirements, even though lack of access or adaptation does not by itself constitute a violation of the statute.

If a finding of discrimination has been made by a board of inquiry, however, the board may make a finding on whether the equipment or essential duties could be adapted to meet the needs of the person whose rights have been infringed and, if so, may order the adaptation of equipment and duties unless the costs involved would result in undue hardship to the respondent. Consultations with employers, landlords and business persons regarding possible adaptation are undertaken regularly.

The unit for handicapped people conducted two studies during the fiscal year. Reasonable Accommodation of the Handicapped provides an analysis on how the concept of reasonable accommodation is defined and applied in several jurisdictions. Various laws concerning reasonable accommodation were examined in order to determine whether there is a duty to accommodate the physically handicapped, the extent of the duty, how the courts and boards of inquiry have interpreted that duty, the relevance and usefulness to the Ontario commission of any guidelines that have been established in this area, how undue hardship to the respondent is interpreted and applied and, finally, the relevance and practical implications of any existing accessibility standards.

A Study of Discrimination on the Basis of Disability in Insurances and Benefit Plans examines the processes used by the insurance industry to identify persons who represent

increased risks because of a handicap. A basic premise of human rights legislation is that each individual has a right to be evaluated and subsequently treated on the basis of his or her own merits. However, the insurance industry has traditionally identified group characteristics upon which the insurability of individuals is based.

These studies are currently being reviewed by the commission with a view to developing policy and program initiatives on the basis of the findings. In addition, the reports will be used in the commission's consultative and education programs.

The United Nations has proclaimed 1983-92 as the Decade of Disabled Persons. At the September 1983 federal-provincial-territorial ministerial conference on human rights, ministers expressed their support for the United Nations Decade of Disabled Persons and instructed the federal-provincial-territorial continuing committee of officials responsible for human rights to engage in a consultation process for the development of a plan of action. A working committee, including representatives of the Ontario Human Rights Commission, has been established for this purpose.

I now turn to several other aspects of the conciliation and compliance program. In examining complaints of discrimination in employment, it is evident that discrimination is expressed most strategically in the labour market and structure of occupations. An important objective of the conciliation and compliance program is to expand the opportunities of women, minorities and persons with handicaps in jobs requiring commensurate use of education, training and experience.

The commission is seeking an objective evaluation of the educational attainments and levels of skills of immigrants obtained in their countries of origin. The criteria for membership or accreditation in professional and technical associations and how these criteria are applied in assessing the qualifications of immigrants are currently being examined. An analysis will then be made to determine whether persons who trained overseas are victims of arbitrary and discriminatory barriers to accreditation in Ontario.

During fiscal year 1983-84, 185 complaints alleging discrimination because of sex were resolved, as were 99 complaints of sexual harassment. Taken together, these figures total 284 and comprise 29 per cent of the total number of complaints resolved during the fiscal year.

This marks the highest percentage of all grounds covered under the code. In addition, 26 complaints alleging discrimination because of marital status and 19 alleging discrimination because of family status were resolved during the year.

Legal precedents were established during fiscal year 1983-84 in determining the extent of prohibited sex discrimination in situations in which women are discriminated against because they are pregnant. Of great significance in this area were two board of inquiry decisions rendered during the year that expressed the view that discrimination because of pregnancy is a form of sex discrimination. This represents a further advance in the area of sex discrimination.

In August 1984, the conciliation and compliance division was restructured and reorganized in order to respond more effectively to the large increase in complaints resulting from the new provisions of the human rights code. A new region, Hamilton-Niagara, was recently created to deal more effectively with the large volume of cases in southwestern Ontario, and in particular in the Hamilton and Golden Horseshoe areas. Hamilton is the headquarters for the new region.

Another important initiative is to respond to the issues relating to discrimination that are increasingly being raised by the racial, ethnic and immigrant groups' organizations at the local level in the Metropolitan Toronto area.

I would now like to review the programs and initiatives of the commission's race relations division. As you are no doubt aware, the long-term objectives of the division are three-fold: to realize to the fullest possible extent the goal of equal opportunity for all groups in our society; to discourage, through public policy and educational initiatives, the promotion of bias and negative stereotypes against visible minority groups; and to establish harmonious race relations through long-term strategies involving all sectors of our society.

Although community, race and ethnic relations programs have been instituted by the commission since its inception in 1962, these programs traditionally provided mediational services where intergroup tensions and disputes had developed. These services are still an important aspect of the program, but its resources are now devoted primarily to preventive measures aimed at averting racial, ethnic and religious tensions and conflicts. These programs are directed at both the community and institutional levels.

During fiscal year 1983-84, the cabinet committee on race relations, which was established in 1979, developed a policy on race

relations which was adopted by the government of Ontario. The policy statement, which was unveiled in the legislative building last year, was the first to be produced by any government in Canada. It emphasizes the critical goal of equality of opportunity and the determination of government to eradicate racism. Nearly 100,000 copies of this statement have been widely distributed throughout Ontario.

The statement says in part, "Acts of racial discrimination will be met with the effective enforcement of the Ontario Human Rights Code and with the development, whenever needed, of new legislative initiatives."

In response to the special needs of visible minority women, the race relations division organized, in co-operation with the Ontario women's directorate, the first Canadian conference convened on discrimination as it affects visible minority women. It was held in October 1983. The theme of the conference was Racism, Sexism and Work. Some 500 delegates from across the province analysed the impact of racism and sexism on the employment of visible minority women, and a working relationship between policy makers and visible minority women was established.

To maximize the participation and input of all women, extended outreach and consultations took place during the planning stages of the conference, and co-sponsors were greatly assisted in their work by an ad hoc advisory committee comprised of visible minority women.

Through establishing a networking process, women were able to share their concerns and proposals for solutions. As an outcome of the conference, a province-wide, community-based coalition of visible minority women was formed to continue to work on the goals and objectives established during the conference sessions.

3:20 p.m.

The proceedings of this conference with resolutions and recommendations were released this summer and are providing the commission and the Ontario women's directorate with a basis for important policy and program decisions on the issues facing visible minority women in Ontario.

The high youth unemployment rate has a particularly adverse impact on those visible minority youths who are disadvantaged by lack of education and low levels of skills. Unemployment has negative cumulative effects on this group and can cause young people to lose their self-esteem, confidence and motivation. The

division, together with other ministries and agencies of government, has developed initiatives to increase participation of visible minority youth in job creation, job training and apprenticeship programs.

The race relations division's special summer youth employment program, funded by the Ontario youth secretariat, recently completed its fourth year. This unique project provides for more than 100 young people drawn from particular neighbourhoods to be placed in summer employment with selected employers in both the private and public sectors.

In its recruitment, the division endeavours to ensure that the racial mix of the participants reflects the racial composition of the unemployed youth in the area. These young people, in addition to obtaining a first-time job experience, also receive race relations, job and life skills training during the course of this eight-week program.

For the second year, the division also assisted in the implementation of an Ontario youth secretariat grant program for the Metropolitan Toronto Police. This unique program, recommended by the division in 1982, involves the placement of 35 young people from various racial and ethnic backgrounds in summer employment positions with the police force in an effort to improve police-youth and police-minority relations.

Modelled upon the summer youth employment program, it also provides job skills training. The young people work with the community programs section of the Metropolitan Toronto Police, meeting some of the important needs of senior citizens in the municipality.

In 1983, encouraged by the success of these summer youth employment programs, the division participated for the first time in a winter Experience program designed to assist young people who experienced great difficulty in obtaining employment during the winter months, November through March. The project provided the participants with both work experience and training in race relations and life skills. Again the participants were drawn from selected geographic communities where youth unemployment is quite high among all racial groups. The division has increased youth participation in these initiatives in Metropolitan Toronto in both the summer and winter months and has expanded the summer program to include Windsor this year.

Many of the division's programs are designed to assist various institutional sectors in develop-

ing their own internal mechanisms for dealing with problems of racism and race relations. Many of the resources expended in developing these materials have been concentrated in the education, police, business and industrial sectors.

During 1983-84, with the assistance of the conciliation and compliance division of the human rights commission, the race relations division developed an equal opportunity workbook to assist employers in eliminating discriminatory practices and in removing other arbitrary barriers that tend to undermine the principle of equality of opportunity in the work place. The handbook, which is composed of case studies and related exercises, is designed to introduce supervisors and managers to concrete examples of the dynamics of racism and discrimination. It suggests methods to ensure equal employment opportunity and provides concrete suggestions on how to resolve and prevent racial incidents that may arise. The handbook was released to employers in the summer of 1984 and was extremely well received. It is now in its second printing.

At the request of the Ontario Federation of Labour, the division is assisting in the development of strategies for dealing with race relations issues that are suitable for adoption by the OFL's member unions. This initiative is an integral part of the OFL's campaign against racism. One such strategy is a series of regional conferences designed to increase the awareness of union representatives of human rights legislation as it applies to the work place. Several conferences have been held to date in Windsor, Dryden, Hamilton and Ottawa, among other centres. The division and the OFL now are designing an educational package for use by local unions throughout the province.

A critical starting point in the effort to combat prejudice and discrimination in society is the educational institutions. Therefore, the division has worked hand in hand with many school boards throughout the province to develop appropriate race relations responses and policies. The commission conducts seminars and conferences for teachers and administrators to increase their awareness of the critical issues in race relations and to enable them to develop the ability to respond to such issues within the education system.

A new initiative was taken by the division in 1983 to establish a consultative committee for the educational sector in order to maintain a close relationship with specialists and individuals with

extensive involvement in this vital area. The education consultative committee, made up of 15 members, including school principals, university teachers and school board members, has a broad mandate that includes helping the division to identify race relations issues and concerns in educational institutions and contributing to the solutions and strategies needed to deal with them.

The race relations division and the Hamilton Board of Education are cosponsoring a curriculum development unit for grades 9 and 10 English and grades 11 and 12 Man in Society courses on the subject of prejudice, discrimination and human rights. Issues for study include race relations, women's issues and discrimination against persons with handicaps. If the project meets with success, it will be expanded to include other Ontario schools in the future years.

During fiscal year 1983-84, the race relations division assisted in the planning of a conference of Windsor students who met to develop leadership capabilities among themselves as well as to improve interracial understanding in the schools and their neighbourhoods. The conference, entitled Race Relations and Multiculturalism in Education, was cosponsored by the division, the Windsor Board of Education and the Windsor Urban Alliance on Race Relations. The discussions helped conference participants to stimulate awareness on issues affecting visible minorities in the schools. The division is promoting this pilot project as a model for other school boards throughout the province to adopt.

I would now like to direct the committee's attention to the ministry's handicapped employment program. The goal of the program, as members will know, is to maximize employment opportunities in the private sector for individuals with disabilities.

To accomplish this goal, the handicapped employment program, or HEP, focuses on two major areas. First, it works within the various sectors that influence employment opportunity, the five most important being employers, organized labour, disabled people, educators and health and rehabilitation professionals. HEP stimulates the process of change within these sectors and, what is more important, brings them together to develop innovative approaches to the problems of unemployment and underemployment in the disabled community.

HEPs second major focus is on communities. Since its inception, HEP has been involved with approximately 34 communities around the pro-

vince, including a good representation in northern Ontario.

This involvement includes joint sponsorship of seminars with community organizations, the use of job creation programs such as summer and winter Experience to staff projects that have direct relevance to HEP's goals. A more significant involvement occurs with nine projects designed to bring the five major sectors together in conferences, workshops, planning committees and, eventually, community councils. Each community organization has developed in its own unique way according to the needs, priorities and interests of its members. The approaches taken with both communities and the five sectors include such strategies as model development, seminars and conferences, consulting services, research and discussion papers and the provision of information and promotional materials, including two display units.

Since I last spoke in this forum, the handicapped employment program has undertaken a number of interesting initiatives, and I would like to give some of the highlights now.

In the research and policy development area, the job matching discussion paper, which I mentioned last year, now has been published and distributed to interested parties around the province. The paper is entitled Job Matching: The Assessment of Individuals for Work. We have found that interest is high and that requests have been coming in from across Canada because of the innovative nature of this paper. The next step will be to host discussion groups around the province that will be attended by representatives of employer organizations, organized labour, consumers, health and rehabilitation professionals and so on. Future steps to be taken will depend upon the outcome of this discussion process.

In the communities with which HEP is working it was felt last fall that the time was right to bring community representatives together from across the province so that a sharing of ideas and information could take place. This happened in January 1984, and a successful two-day event was held for the 40 or so representatives who were able to learn from the different approaches taken by each community.

3:30 p.m.

I will take just a moment to highlight some of the recent developments within these communities. In Hamilton, the Community Council on Employment of the Disabled has recently elected a new executive with an employer leadership. Several major employers are represented on the

council, and initiatives are under way to include more disabled people.

The council received a Canada Works grant this summer and thus has been able to employ three people to support its work. A subcommittee system has been established, and several tasks are in the planning stages. The study on co-ordinated placement options, for which my ministry supplied a grant to the Hamilton council, is still under way and it is expected that the report will be available shortly.

In the spring, a landmark conference was held in North Bay, which was cosponsored by their community council and by the handicapped employment program.

The Vice-Chairman: That is a good one.

Mr. Samis: How can you tell? You are reading the newspaper.

Hon. Mr. Ramsay: He is listening.

Mr. Samis: Yes, sure. He is probably reading the track results or the financial page—nothing to do with labour.

The Vice-Chairman: Just keep signing your letters there.

Mr. Samis: I am reading estimates here.

Hon. Mr. Ramsay: While you were out, Mr. Mackenzie, there were several references to initiatives over in Hamilton. I just mentioned Hamilton and North Bay, but I did not get any reaction on Hamilton.

The Vice-Chairman: Obviously I am the only one listening, Minister.

Hon. Mr. Ramsay: I did not mean that. That is not what I was trying to say.

Mr. Samis: You cannot listen while reading the paper.

Mr. Mackenzie: You still have the same list of people. Randy McMann is an example I have raised for five or six straight years now, and he still does not have a job.

Hon. Mr. Ramsay: Where were we here? In the spring, a landmark conference was held in North Bay, which was cosponsored by their community council and the handicapped employment program. The conference addressed the issues of employment for people with learning disabilities and brain injury. It had been determined by members of the council that individuals with these particular disabilities were having a more difficult time finding jobs than people with other disabilities. The result was a very effective conference, which has practical implications for people in that community with

these disabilities. The conference agenda also serves as a model for other communities.

Barrie and Simcoe county, Peterborough and York region have held a series of workshops and seminars for representatives of the different sectors in their communities, and networking and planning continues in those communities, with an early spring employers' conference planned in Barrie.

This fall there have been several events cosponsored by HEP in Thunder Bay, Sudbury and Sault Ste. Marie. The first was a conference held in early September in Thunder Bay, which involved employers, consumers, organized labour and representatives of other sectors. Planning was done by the employment awareness conference steering committee. In Sudbury, a conference was recently held for employers, which was attended by my parliamentary assistant, the member for Brantford (Mr. Gillies). He tells me the Sudbury Ability Coalition, which co-sponsored the conference, is working successfully in that community.

In addition, also in September, I had the pleasure of attending a luncheon for employers in Sault Ste. Marie. I was encouraged to learn that the Sault planning committee is in the process not only of establishing a community council but also is exploring options for a business that would employ people with disabilities. I understand there has been a very positive employer response to the prospect of being involved on the council and advising on a business of this sort.

The handicapped employment program continues to make use of job creation programs to advance its goals in the community. This past summer, seven summer Experience students were placed directly in four community-based projects, and this winter, up to 11 Ontario Youth Corps participants will be placed with sponsors in various communities. In addition to the broader employment goals of the projects, many of the people hired have disabilities and are thus gaining much-needed work experience.

In this vein, I would also mention that 28 additional young people participated in various other projects through HEP's summer Experience program and that 11 young persons with disabilities are being placed in my ministry under the Ontario Youth Corps program this winter.

I will now move on from HEP's community-based efforts to initiatives that have been occurring recently in the five major sectors with which HEP has contact. The first is in the employer sector. This past spring, the Personnel Association of Toronto published an excellent

employer resource guide, which has been developed with the assistance of a HEP summer student placement and with the advice of one of the consultants in the program.

In another initiative, a grant was provided by my ministry to community resources consultants to develop a guide for employers, entitled *It Makes Sense: The Employers' Guide to Hiring People with Psychiatric Disabilities*. HEP is currently working with community resources consultants to develop a workshop for employers to follow up on a suggestion by a conference that was held for employers a couple of years ago.

The program is also working with the Ontario Association for Children and Adults with Learning Disabilities, and various initiatives are being planned in co-operation with this group, including HEP's participation on the planning committee for a major annual conference to be held in the spring. At this conference, a half day will be devoted to employment, and HEP will be working with the association to develop a brochure and to do specific outreach to attract employers to this portion of the conference.

In another initiative, a representative of HEP chairs the Council of Equal Employment for the Disadvantaged. CEED has established a business advisory committee in partnership with the Personnel Association of Toronto. The committee is composed of two representatives of the employer sector, two representatives of the consumer sector and one representative of health and rehabilitation. This five-member group will be working on specific tasks related to the placement of people in jobs in the Toronto area. Another highly successful employer seminar, sponsored by the March of Dimes with the participation of the handicapped employment program, was held recently in Peel region. Employer responses were enthusiastic. In addition to working with employer organizations, HEP continues to provide consulting services to employers.

The second major sector for outreach efforts is that of organized labour. For example, last winter HEP cosponsored a workshop with the Kenora and District Labour Council for representatives of labour on increasing employment opportunity for people with disabilities. The program is also involved in planning and participating in a week-long workshop that the Ontario Federation of Labour is holding in January on the issues of employing and retraining people with disabilities.

Discussions are currently under way with the Ontario Federation of Labour concerning another

joint information initiative. Previous initiatives included a grant to the OFL to develop brochures and posters directed at its constituency.

The third major sector is that of disabled job seekers and organized groups of disabled consumers of services. HEP has ongoing formal and informal relationships with consumer groups and with individual disabled people who have come to the program for advice on job-hunt strategies and referral to community resources.

Recently the ministry gave a grant to People United in Self-Help, or PUSH-Ontario as it is known, for a conference in fund-raising techniques, which was held for its members in late September. This was seen as a strategy for enabling consumer groups to develop their resource base, so they can provide the kind of leadership and input on policy issues that is important both to the community councils and to the provision of programs that will best meet the needs of their members.

I might mention here that my officials and I met with representatives of the Blind Organization of Ontario with Self-Help Tactics in mid-May 1984. As a result of that meeting, I sent a letter to my cabinet colleagues supporting BOOST's request for greater availability of government information for the print-handicapped. The issue is being studied at a corporate level, and I have asked my ministry to move in this area.

Back to HEP. It is planned to refine further the current job-seeker's kit package into a self-help employment search guide which, among other things, will explain the concept of physical demands analysis and how an individual can use it to market himself or herself effectively with employers.

The fourth sector is health and rehabilitation, and to this end, the program is working with 24 health and rehabilitation groups on various initiatives. Here are some examples of developments in this area. In the spring, a seminar that was jointly sponsored by the Jewish Vocational Service of Metropolitan Toronto and the handicapped employment program was held on the issue of increasing employment opportunities for people with psychiatric disability. The program is also involved with a group of health professionals that is developing a compendium of resources on vocational and pre-vocational programs. It is hoped the information offered in the compendium will facilitate the task of finding appropriate job-readiness training.

In another initiative, a consultant from the program has been chairing the planning commit-

tee of a National Conference on Vocational Rehabilitation, scheduled for Toronto, November 21-23. The conference is being sponsored by the Canadian Rehabilitation Council for the Disabled.

The fifth major sector is education, which includes boards of education and colleges and universities. Over the past year, HEP has participated in several seminars for educators on employment-related issues. An example of a current joint initiative is the co-operative work program with the Durham Board of Education. Approaches are being developed on how to contact and assist employers who would be providing temporary work placements to people with disabilities.

3:40 p.m.

A recent focus of HEP is on disabled youth, with the International Youth Year coming up in 1985. There is ongoing liaison with the Ontario youth secretariat, and HEP has provided advice on a guide for staff of the youth employment counselling centres that is specific to disability and that will be available shortly. HEP staff also facilitated two workshops at a recent conference held in Toronto for staff of the youth employment counselling centres.

In the information area, HEP has been updating various materials and has been developing a brochure that describes the overall program. I believe there has been some lack of understanding of the role HEP plays, and this brochure will do much to illuminate the types of activity and programs it is involved in. It describes how HEP makes the connection between and among sectors and in communities. Copies of the brochure should be available in the near future.

Let me turn now to the affairs of the Ontario Manpower Commission. While I note that last year I reported on a number of commission activities, I did not discuss its membership. This is an opportune time to review the composition of the commission, since it has recently completed the sunset review process established for all agencies, boards and commissions. I will be discussing the sunset review in greater detail a little later on.

On July 18, 1979, an order in council established the Ontario Manpower Commission with a chairman and four private sector members. At present, the manpower commission consists of a chairman and nine part-time members drawn from the private sector. Often mentioned as a model for tripartite consultation, the appointed commissioners are influential

community leaders who bring together the concerns, needs and opinions of three sectors: business, labour and education.

I think we have an error there, do we not? "At present, the manpower commission consists of a chairman and nine part-time members drawn from the private sector." I think private sector really means that nine part-time members are drawn from the three areas of business, labour and education. It gives the impression they are all drawn from business. That is not the case.

The Vice-Chairman: Labour is an important part of the private sector.

Hon. Mr. Ramsay: I know it is, but if you read that, you might think they were all from business. Actually there are three sectors: business, labour and education.

The current chairman, Mr. Benson A. Wilson, was with the corporate sector before entering government service and was most recently assistant deputy minister with the Ministry of Colleges of Universities.

In addition, three deputy ministers from the ministries of Labour, Industry and Trade, and Colleges and Universities sit as ex officio members of the commission. Most recently, the youth commissioner has been invited to sit as an ex officio member. On behalf of the Ontario government, I would publicly like to thank all the commissioners for their time and expertise in support of the work of the Ontario Manpower Commission and for providing the Ontario government with their wise counsel and advice.

As I mentioned, the Ontario Manpower Commission's functions and operations were required to be reviewed in accordance with the sunset review process prior to an expiry date of March 31, 1984. Two preliminary extensions were given to the commission until September 30, 1984. During this time, many discussions were held with the ministries responsible for administering labour market activities, as well as with the commissioners and other parties such as the Ministry of Treasury and Economics and Management Board officials.

The comments that flowed from these discussions and the actual review by Management Board itself were strongly in favour of continuing the Ontario Manpower Commission, recognizing the contributions it has made to the development of government manpower policy in the past and, more important, that it will make in the future.

It was my pleasure to receive order in council 2620 on October 12, 1984, which authorized the Ontario Manpower Commission to be continued

for a further three years until September 30, 1987.

One of the most critical of the manpower commission's varied responsibilities has been its key role in federal-provincial relations with respect to labour market issues. While in the past the Ontario Manpower Commission has been quite effective in carrying out this function, in conjunction with other directly involved ministries such as the Ministry of Colleges and Universities, this current fiscal year has placed additional demands on the commission's inter-governmental responsibilities.

As is the custom with many ministries, the provinces annually rotate lead responsibility for maintaining and co-ordinating interprovincial and federal-provincial contact with respect to labour market activities.

On March 8, 1984, during the most recent meeting of federal, provincial and territorial ministers in St. John, New Brunswick, the lead-province responsibility was passed from New Brunswick's Minister of Labour and Human Resources, the Honourable Joseph W. Mombourquette, to myself. In carrying out the administrative and co-ordinating functions required of the lead province, the Ontario Manpower Commission has called upon its experience with federal-provincial relations and co-ordinating responsibilities.

The ongoing work of the commission in this lead role has been to keep the governments of Canada, the provinces and the territories in touch with one another and up to date with respect to activities in the manpower area. The commission will continue to play this co-ordinating role through the next meeting of federal/provincial/territorial ministers with labour market responsibilities.

The Ontario Manpower Commission has an important responsibility in the provision of labour market information. The commission aims at serving both the public and private sectors by providing labour market knowledge that is particular to Ontario. It does so both by undertaking special studies and by developing overall labour market information. The goal is provide the most useful information possible to guide those in both sectors who effect policy and planning in this critical area.

A very crucial area of labour market information is that of assessing the general state of the future labour market in terms of potential imbalances or pressures. I am pleased to note that in September of this year, the Ontario Manpower Commission published the Labour Market Out-

look for Ontario: 1984-88, a report that provides the most comprehensive analysis to date of the future Ontario labour markets.

Since future manpower requirements for Ontario depend on a number of factors, many of which—such as US economic growth—are difficult to assess and uncertain, the outlook report provides alternative economic scenarios that cover a broad range of future labour market developments. The report looks at the Ontario labour market in terms of the different situations confronting those with different educational and skill levels.

Although this report provides a comprehensive and internally consistent forward look at the future Ontario labour markets, the commission is at work on important improvements that will make future updates progressively better tools for analysing the Ontario labour market.

The manpower commission also provides a monthly report on the Ontario labour force and youth labour force. These monthly reports give detailed information on trends in employment, unemployment and other important labour force characteristics.

The impact of technology on employment and manpower is one of the most fundamentally important economic and social issues facing Ontario today. In both the public and private sector, Ontario has been taking significant initiatives in the development and application of new technology, to maintain its competitive position.

As these technologies are implemented, traditional employment patterns may be changed. In order that Ontarians should be placed in the strongest position possible to adjust to such change, the decision was made to undertake a serious and extensive study of the impact of technology on manpower and employment. Accordingly, a labour-management task force was appointed in May 1984, to undertake this study.

The funds allotted to the Ontario Task Force on Employment and New Technology to carry out its mandate amount to \$855,000: \$450,000 from BILD, \$300,000 from the Ontario Manpower Commission and \$105,000 from the Ministry of Labour. The task force is being co-chaired by William B. Boggs, recently retired chief executive of Canada Systems Group Ltd. and past chairman of the Canadian Manufacturers' Association, and Robert White, director for Canada and international vice-president of the United Auto Workers' union.

The mandate of the task force is to establish a firm information base to describe the extent and nature of employment and manpower changes likely to occur as technology is applied in business and industry over the next decade. To accomplish this objective, the task force is undertaking a number of interrelated research projects, focusing on past, present and future employment trends. These projects include an identification of historical employment, occupational and labour market trends in Ontario and projections of future occupational demand.

In addition, three original research projects on the impact of technology on employment and manpower are being conducted. They focus on occupations expected to be significantly affected by technological change, and on industries that contain the largest employment share of these occupations and that employ almost one quarter of the province's labour force.

3:50 p.m.

The first of these three projects concentrates on the manpower and employment implications of advanced manufacturing technologies, such as computer-assisted design and computer-controlled machinery in selected manufacturing industries.

This project pays particular attention to groups closely associated with manufacturing production activities, including managerial, administrative and related occupations; natural sciences, engineering and mathematics occupations; machining and related occupations; product fabricating, assembly and repairing occupations; and materials handling and related occupations.

The industries selected for study are drawn from the following sectors: primary metal and metal fabricating; machinery and aircraft; electrical and electronics products; and chemicals and plastics.

The second project concentrates on the manpower and employment implications of utilizing computer technology, office automation technology and telecommunications technology in selected industries of the finance, insurance, and public administration sectors. This project pays particular attention to the following occupational groups: managerial, administrative and related occupations; natural sciences, engineering and mathematics occupations; clerical and related occupations; and sales occupations.

The third project concentrates on the manpower and employment implications of utilizing computer technology, office automation technology and telecommunications technology in selected industries in the communications sector,

trade and other services. Particular attention is being paid to the finance and insurance and the public administration sectors study.

The research effort involves comprehensive discussion with industry experts from both labour and management to discern current and likely future trends in industry output, employment levels and occupational patterns. In addition, the researchers are conducting a detailed survey of approximately 300 Ontario organizations to get finer detail on the changing occupational patterns that the new technology is likely to stimulate.

The results of these industry studies together with the other in-house research projects conducted by the staff of the task force will be made available in a final report, which is expected to be submitted by the task force in mid-1985.

Mr. Chairman, as you are aware, the province continues to work with the federal government to provide training under the National Training Act and its agreement. The act and the agreement were brought into effect in 1982, reaffirming government's commitment to training, emphasizing federal-provincial co-operation and consultation and orienting training to the needs of the labour market.

The federal-provincial joint committee, co-chaired by the chairman of the Ontario Manpower Commission, is assisted by subcommittees that address particular areas of concern, including short- and long-term forecasting of labour market supply and demand, design, development and delivery of training programs, and the use of funds for the upgrading of training facilities, equipment and procedures.

Enhanced co-ordination under the NTA has resulted in the better adjustment of potentially competing goals from the two levels of government, particularly in areas such as the identification of occupations that will be in short supply of skilled workers, the relating of basic skills training to future job opportunities, and the utilization of a field network whereby industry assists in identifying future demand and helps in training.

Continuing discrepancies between men and women in the labour force stem from the fact that males and females are concentrated in different occupations and at different levels within occupations. Although both the federal and provincial governments have undertaken a variety of initiatives to improve the employment status of women, such as the identification of nontraditional occupations for women in which special provisions are made for the training of women,

available data led to the view that supplementary measures are necessary to enhance women's occupational redistribution and their career development. Employers engaged in training women in these occupations are eligible to receive a 75 per cent reimbursement incentive.

In Ontario, institutional training courses are currently designated as nontraditional if they lead to employment in occupations in which women represent 35 per cent or less of the total number of workers in the occupation. Thirty per cent of the seats in such courses are reserved for women. For the purpose of industrial training, occupations are designated as nontraditional if 10 per cent or less of the total number of workers in the occupation are women.

In February of this year, the co-chairmen of the joint committee in Ontario recommended to the Canada Employment and Immigration Commission in Ottawa that the definition of nontraditional occupations be modified to parallel the female share of the labour force, which now stands at 43 per cent. Acceptance of this recommendation will result in an increase in both the number of courses for which 30 per cent of seats are reserved for women and in the number of occupations for which the 75 per cent reimbursement incentive is offered. The recommendation is under review by the federal government.

We are all aware of the realities of the new industrial competition. In today's world we have to be more productive and put out better quality products to survive.

Organizational design, plant layout, systems of quality control and the most up-to-date technology are but empty shells until given life by the skills, relations, expectations and capacity for learning embodied in the work force. The reservoir of human talent and adaptability is one of the province's most important assets. Like other assets, it requires constant investment and careful monitoring.

In meeting this challenge to survive, there will be success stories and there will be difficulties. In either case, the consequences for the work place will be profound. In those firms successfully meeting the challenge, the work place will require training and retraining to make best use of new technologies. Where industries are downsizing or reorganizing or abandoning product lines completely, there will be training needs that must be met to smooth the reintegration of workers into new jobs. The training needs of adult workers are complex.

I have already referred to the Ontario Task Force on Technology and Employment and the survey of industrial training that is being initiated by the Ontario Manpower Commission to gather the information needed to address these training needs. Particular attention has been given to the training needs of adult and older workers.

In this connection, a matter was raised by the member for Hamilton East (Mr. Mackenzie) at these hearings last year. This matter concerned unemployment insurance support for persons enrolled in technical upgrading courses. The member raised the issue in regard to workers laid off from Allan Industries in Hamilton, who were not qualified for entry into skills training courses and who were denied unemployment insurance support by federal authorities while taking the necessary upgrading courses.

Both I and my colleague the Minister of Colleges and Universities (Miss Stephenson) pursued the issue with the previous federal government on a number of occasions during the past year. It is our position that unemployment insurance support for training activities should be broadened to include necessary technical and academic upgrading courses. Not to do so, presents a serious obstacle to the retraining of displaced and threatened workers, particularly those who are some years distant from the formal educational system.

To ensure that this important issue receives appropriate attention at the NTA negotiations, this matter has already been placed on the agenda and will be discussed by the relevant officials.

In the field of human resources planning, since 1980 the Ontario Manpower Commission has devoted considerable effort to encouraging employers and to providing them with the tools and knowledge for the implementation of this activity.

The premise of this initiative is that the manpower planning activities of individual employers, or industry groups, are essential to the solutions of current and future labour market adjustments; and the support programs of federal and provincial governments can do an effective job of labour market adjustment only when individual employers identify their manpower/occupational requirements.

The need for extensive work in promoting human resources planning to employers and in supplying them with the necessary tools to carry out such activities has been confirmed by a recent employer survey, *An Overview of Human Resources Planning Practices in Ontario*, April

1984, conducted by the Ontario Manpower Commission.

Based on more than 1,800 responses from a total of 4,600 establishments surveyed in Ontario, it is apparent that human resources planning practices among Ontario employers are highly scattered.

Less than half of the responding establishments perceived themselves as having a human resources planning program per se, occupational coverage is limited and the majority of the establishments do not plan beyond one year in the future. At the same time, many respondents expressed concerns about their inability to undertake a comprehensive human resources planning program.

4 p.m.

Since there are thousands of employers in Ontario, it would seem reasonable to assume, on the basis of the survey findings, that the great majority either do not actively plan for their human resources at all or do so only on a selective basis. Recognizing that the gap between actual practices and the perceived ideal is wide, the Ontario Manpower Commission has deployed its resources in such a way to reach out to as many employers as possible, by encouraging them to undertake and develop active human resources planning. By supporting them in doing so, we increase the potential for solving current and future labour market adjustment problems.

Some of the particular activities and projects undertaken under the human resources planning initiative have been conducted in co-operation and/or on a cost-sharing basis with the Canada Employment and Immigration Commission, Ontario region. A joint conference on Human Resources Planning: A Key to Ontario's Growth, was held in June 1981 with the Honourable Lloyd Axworthy, then Minister of Employment and Immigration Canada, and the Honourable Robert Elgie, then Minister of Labour, attending. Joint publications, An Introductory Guide to Human Resources Planning and a Human Resources Planning Manual, which were designed as do-it-yourself, step-by-step guides through the human resources planning process, were released in March 1982.

Experimental workshops, spearheaded by the Canadian Manufacturers' Association with the active participation of the Ontario Manpower Commission and the Canada Employment and Immigration Commission, were held for employers during the summer and fall of 1982. Subsequently, a workshop format and a manual

for training human resources planning workshop leaders and presenters was developed in 1983.

Just this year, a conference entitled People Planning for Tomorrow was developed under the leadership of a private sector committee representing a variety of business and labour interests in Ontario, including the Ontario Federation of Labour and the Canadian Manufacturers' Association.

The conference, co-sponsored by the governments of Canada and Ontario, was held on May 8 and provided a forum for the economic partners, business and labour, working with education and governments, to identify and address some of the pressing human resources issues of the 1980s. Thirteen important industrial sector workshops, each co-chaired by senior representatives of the business and labour communities, concentrated on human resources planning issues.

One of the key sectors at this conference was the automotive industry. The Ontario Manpower Commission, as part of its monitoring of manpower developments in industry and its commitment to human resources planning, is participating in the planning and steering of a human resources study of the automotive industry.

The study will aid in the development of strategies that address the human resources aspects of this important industry in Ontario's economy. One of the study components will identify the experiences in human resource planning within the industry itself and the part it has played up to now in identifying and facilitating adjustment and utilizing available training programs.

Currently, the Ontario Manpower Commission is also developing a new handbook on human resources planning. In preparation for this handbook, intensive study has been undertaken to gather information on the factors that should be considered when conducting human resources planning. The study not only required extensive review of the books and articles written on this topic but, what is more important, was also extended to the real-world perspective by asking over 100 employers in the province who have HRP programs in place how they conduct their HRP.

Before the handbook is finalized, and to ensure its fullest possible coverage as well as its acceptance by users, it will be field-tested by the responding employers, those who participated in the May 8 workshops, and other knowledgeable individuals. In addition, the OMC and CEIC are planning to hold a number of joint workshops on

human resources planning. These workshops will be aimed at senior industry executives to raise their level of awareness and commitment to the human resources planning process.

Finally, human resources planning should be viewed as an integral component in enhancing the competitiveness of industry in Ontario. To this end, the commission will work with the Ontario Ministry of Industry and Trade to ensure that human resources planning assumes a prominent role in the recently announced automotive parts investment fund.

More particularly, manpower's plans to improve training practices will be one of the main criteria used in determining eligibility for providing funds under this program. The commission will participate in the development and application of these plans.

To support the government's commitment to increased industrial training activities in Ontario, the Ontario Manpower Commission undertakes research studies to serve as bases for discussions about the appropriate strategy to increase the level and effectiveness of industrial training.

The development of highly skilled workers requires training both in a formal instructional setting and on the job. A comprehensive institutional training system, anchored in a highly developed community college network, exists to provide the necessary formal instructional base. However, there has been continuing concern regarding the availability of employer-sponsored training that provides the on-the-job component for many of the skills deemed important to industry.

In 1983 the Ontario Manpower Commission released a paper on industrial training for high-level skills, which described the skills shortage problem, the adequacy of the existing supply of highly skilled workers and the industrial training programs that are in place to ensure that we have a continuing supply of these workers.

The paper also outlined the various policy alternatives available to the government and the direction that the Ontario Manpower Commission considers government ought to take. The commission's paper concluded that one of the problems in developing a sound policy response to the industrial training problem is the paucity of information on the full extent of training activities being undertaken in the private sector, particularly those that do not receive public support.

In order to establish the basis for the design of future initiatives, it is essential to develop a

comprehensive data base on industrial training. In this regard, the Ontario Manpower Commission has launched a comprehensive survey on the nature and extent of training in industry. Employers of all sizes and from all industry sectors are being asked to provide detailed information about their formal training programs and the occupational composition of the employees participating in such training.

To encourage and sustain economic recovery and growth as part of the overall provincial effort with respect to job creation, my ministry, through the Ontario Manpower Commission and in co-operation with the Canada Employment and Immigration Commission, launched the Canada Ontario Employment Development, COED, program in December 1982. Although I reported on it extensively during last year's estimates debates, I wish to provide an update and to comment further on the success of the COED program, which just recently came to an end.

As you are aware, the objective of the COED program, as stated in the letter of agreement, was "to create incremental productive employment for unemployed persons experiencing significant hardship." The program was targeted particularly at the large numbers of the work force who had lost their jobs as a result of the recession that had begun in mid-1981 and who had subsequently exhausted their entitlement to unemployment insurance benefits.

Employment was created through the funding of individual job-creation projects sponsored by organizations in the community. Sponsoring organizations fell into three categories: municipalities; nonprofit organizations, including provincial government agencies; and private sector employers. It is noteworthy that all sponsor contributions towards total gross project costs averaged some 46 per cent and, within that, private sector contributions represented an impressive 72 per cent of all private sector project costs.

The COED program received an excellent response, and six months after the startup of the program operations, its original budget of \$200 million—\$100 million provincial—was fully committed.

The province offered to match any further funds committed by the federal government to meet the backlog of project applications that could not be funded. After some consideration, the federal government did inject a further \$10 million into the program, an amount that was

promptly matched by the province and immediately allocated.

A number of projects that involved construction activities experienced unforeseen delays due to weather problems, unavailability of skilled workers, shortage of materials, etc. As a result, a three-month extension of the program, from June 30, 1984, to September 30, 1984, was approved by the governments of Canada and Ontario. Approximately 100 projects were approved for extensions beyond June 30 in order to allow project sponsors to fully utilize their COED funding and complete project activities.

COED was extremely successful in meeting the stated objectives of the program. A total of 2,741 projects were funded, creating 27,236 jobs with an average duration of 23 weeks. The COED program provided many unemployed individuals with a more dignified alternative to welfare benefits. It allowed people to polish their skills or acquire new ones, and, at the end of the project, to requalify for unemployment insurance benefits.

In the past, there has been a tendency to criticize job-creation programs because most offered a base minimum wage. This was not the case with the COED program. Most of the jobs paid substantially more than the minimum wage: an average of \$301 per week, in fact. In addition, in terms of residual effect, sponsor expenditures on material and goods represent a significant investment in the economy of Ontario.

4:10 p.m.

The Canada-Ontario employment development program also funded many worthwhile municipal and nonprofit projects across the province. A wide range of community services was developed and improved, and construction and rehabilitation on numerous facilities was undertaken.

From a number of standpoints, therefore, the COED program can be deemed an unqualified success. It certainly was an outstanding example of federal-provincial co-operation at its best, an experience that should, in my estimation, be built on in the development of job-creation policies and programs in the future.

In fact, this co-operative approach continues to be used, albeit on a smaller scale. As I mentioned earlier, by early August 1983 the entire COED allocation of \$220 million had been committed on approved projects, and applications were no longer being accepted. However, a considerable number of applications, including more than 150 private sector proposals, remained in the assessment system. Given the extent and

the success of private sector participation in the COED program, with its promising potential for longer-term job creation, it was considered necessary that a vehicle be found to enable these projects to go ahead.

Section 38 of the Unemployment Insurance Act became that vehicle. Section 38 allows persons drawing unemployment insurance benefits to receive an augmented benefit while working on projects of benefit to the community. The criteria governing section 38 projects in the private sector were broadened considerably last year, allowing for the same wide range of preproduction and development activities in the private sector as were allowed for under COED.

On August 31, 1983, therefore, the Board of Industrial Leadership and Development approved an allocation of \$6 million to cover the provincial share of project costs, establishing the Ontario small business employment program. The federal contribution of up to \$315 per work week in unemployment insurance benefits is directed solely towards employee wages; the provincial contribution of up to \$125 per work week is used primarily to fund other project-related costs.

Initially, a provincial deadline date of December 31, 1984, was established for completion of projects. However, to alleviate undue hardship caused by any of a number of reasons, among them approval delays that encroach on the peak tourist season, and the unavailability of skilled labour in some areas during summer months that might be experienced by sponsors in completing their projects, this deadline was later extended to March 1, 1985.

A total of 75 projects have been funded for a gross project cost of \$19,214,967, creating 1,042 jobs with an average duration of 17 weeks. The actual provincial contribution to date amounts to \$2.06 million, with sponsors contributing \$11.4 million, or 58 per cent of total project costs.

Mr. Mackenzie: I take it that we have, or can get if we ask for it, a list of those 75 projects?

Hon. Mr. Ramsay: Absolutely. They are available on computer.

Mr. Mackenzie: Can that be run off for members of this committee?

Hon. Mr. Ramsay: We will have it for you. There is no problem.

We also have on computer all the COED projects by city, riding, etc. A lot of members from all parties have asked for those lists and they have been made available to them.

Along with the Ontario small business employment program, the manpower commission is also administering the unemployment help centres program.

As you may be aware, the COED program provided funding for some 24 unemployment help centres initiated and operated by labour organizations in Ontario. The centres were established to provide counselling, information and referral, and support services to unemployed workers.

During prebudget consultations, the Ontario Federation of Labour—it was Mr. Pilkey and I—recommended to the federal and provincial governments that these centres be supported for a further year. If I remember correctly, it was the Treasurer (Mr. Grossman) who said that if Mr. Pilkey could get an equivalent commitment from the federal government, he would provide the funds required. Mr. Pilkey was successful in doing so and that did come about. In his budget of May 15, 1984, the Treasurer of Ontario announced the continuation of provincial funding.

Continuing the joint funding principle, the province entered into contracts with labour organizations similar to those of the Ontario small business employment program. The province provides up to \$125 per work week to be used to augment wages or to cover project-related costs. Follow-up contact was made with all centres eligible under the established criteria, that is, those that were labour-sponsored and had been previously funded under COED.

The actual number of centres funded under the unemployment help centres program is 17, creating a total of 91 jobs for a total provincial cost of \$360,000.

The reason for the decline in actual numbers of centres funded is twofold: (a) The United Steel Workers of America decided to discontinue their centres in smaller locations, such as Blind River, Timmins, etc., and are currently operating four centres instead of the 10 operated under the COED program; (b) the Hamilton and District Labour Council also decided not to apply for funding and has closed its centre.

The centres being funded during this fiscal year are located in St. Catharines, Peterborough, London, Toronto, Barrie, Sarnia, Sault Ste. Marie, Brampton, Mississauga, Ottawa, Sudbury, Chatham and Oshawa. Metropolitan Toronto is the location of four centres, three operated by the Labour Council of Metropolitan Toronto and one by the United Steel Workers.

The unemployment help centres are providing a very real and necessary service to the unem-

ployed of this province. The centres, because of the particular needs of their client groups, are focusing on different issues. Some are specializing and assisting clients with unemployment insurance and workers' compensation problems. Others are emphasizing job-search techniques, resume writing and stress workshops. Still others are assisting in setting up food banks or are running used clothing depots. In each case, they are providing invaluable support and service to the less fortunate unemployed worker. It is estimated that during the fiscal year these centres will receive some 25,000 to 30,000 inquiries about assistance.

As you can see, the spirit of co-operative programming and funding between the federal and provincial governments has been maintained, and the two levels of government have been working hand-in-hand to combat a common enemy—unemployment. I should mention at this time that an evaluation of the Canada-Ontario employment development program is currently under way in order to assess the impact of such programs and to indicate further whether or not this is the best route to follow.

Another program of the ministry, aimed at improving the ability of both individuals and organizations to achieve their objectives in a climate of economic change and uncertainty, is the ministry's quality of working life initiative. The object of the Ontario Quality of Working Life Centre is to promote a new approach to the organization of work that increases the participation and opportunities for development of the individual worker and improves the flexibility and effectiveness of the organization as a whole.

During the past year there has been a continuation of the general trend in North America to recognize the importance of worker participation in organizational performance. The centre has continued to emphasize the importance of placing organizational change in the context of labour-management relations and of ensuring that it is jointly managed by workers and management.

During the past year the centre has given ongoing consulting advice to nine joint labour and management sponsored field projects and has provided periodic assistance to six projects. The increased demand on centre resources for periodic consulting services reflects the increasing number of organizations that are willing and able to undertake organizational change substantially on their own, and is another positive indicator of the increasing scope of the application of quality of working life in the province.

The centre has continued to create opportunities for labour and management, and others involved in this process, to interact and to exchange their experiences. A network of project co-ordinators established in 1981 continues to provide a forum for mutual assistance and learning, not only to projects initiated with the help of the centre staff but also to the increasing number of projects that have been resourced within their own organizations.

The development of projects has been supported by an active education program, one of the key elements of which is to bring together pairs of labour and management participants from various organizations in two-and-a-half-day workshops on the meaning and practice of quality of working life. Such sessions have proven extremely useful, and continue to be oversubscribed.

4:20 p.m.

The third major program of the centre is its information activity. Centre publications provide an essential clearing house function on current developments in the field as well as addressing critical issues, and are regarded by the recipients as useful tools for their own developmental or educational activities.

In the past year, 3,600 copies of news journals have been sent out on request over and above their initial mailing of approximately 10,000 copies per issue. During the past six months, nearly 5,000 copies of occasional papers written by centre staff have been distributed in response to requests.

In addition to the promotion of quality of working life, the centre aims to assist organizations in sustaining their initiatives and in making them a permanent aspect of their operations. An indicator of the maturity of several of the projects with which the centre has been involved is the fact that four of them have agreed to have their experiences described in the form of written case studies, and several regularly send labour and management spokespersons to make presentations at centre education events. I understand that labour and management representatives from one project have agreed to make a joint presentation to a forthcoming conference of the Michigan Quality of Working Life Centre.

As I noted in my remarks on the program last year, the ultimate success of our ability to disseminate a QWL approach to the organization of work depends on the ability of labour and management to work together, not only at the level of individual organizations but also at the broader societal level. Strains on the collective

bargaining front, combined with management's increasing advocacy of participative measures as a means to increase productivity, have increased the difficulty of this issue for the labour movement, notwithstanding the positive results of a number of projects.

This emphasizes the importance of broader collaborative efforts through which labour, management and government can address the various social and economic issues that are a key to renewed economic growth.

In my remarks last year, I alluded to the study tour taken by the Advisory Committee on the Quality of Working Life to Sweden, West Germany and Austria in the fall of 1983 and to some of the principal observations from that initiative. Early this year the Premier (Mr. Davis) met with the committee to discuss its findings and to talk about the possibility of its being interested in expanding its horizons to include socioeconomic issues of mutual concern. In April the committee concluded, with the government's support and encouragement, that its mission should be revised as follows:

"A group of Ontario labour and business leaders who, with the co-ordination of the Ontario Ministry of Labour, jointly identify areas for discussion and study, with the aim of developing or responding to recommendations that could address perceived private and public sector needs to the benefit of all parties."

To formalize this, the committee named itself the Ontario Labour Management Study Group. In the course of the year the committee has met several times pursuant to this broader mandate: to review current economic trends; to review the state of labour-management relations in Ontario; to review Ontario's competitiveness and productivity; to review current developments in the European jurisdictions visited last year and similar initiatives in the United States, and to discuss the implications of these developments for Ontario.

The study group is continuing to explore how to advance its common concerns and its own functioning and to assess how it might have a wider impact on improved relations between the labour movement and the business community. It has agreed, for the time being at least, that it should function informally and without publicity or public profile and that premature expectations of its results would clearly be counterproductive.

It is my firm conviction that such efforts to explore key issues in a nonthreatening environment are vital. On them depends, to a great extent, our society's ability to adapt in a civilized

and broad-sighted manner to the changing circumstances that are now affecting us all, whether as individual workers, union members, managers, government officials or elected representatives.

It is the goal of the Ministry of Labour to help enhance equity and social justice for the working men and women of Ontario. I believe that the ministry's dedication to this goal is both explicit and implicit in the initiatives I have described to you here today.

I also believe there are significant opportunities for fulfilling that goal to an even greater extent if we can move forward with the development of the consultative structures and processes of which I have spoken.

I thank you for your attention. There was no

heckling or interjecting. I appreciated the attention that was given to the presentation. Thank you very much, one and all.

The Acting Chairman (Mr. Piché): Unless the committee has any objections, I suggest we adjourn, it being very close to 4:30 p.m., and come back here at 10 a.m. next Wednesday, November 28, when the critics can go on with their remarks in response to the minister's long and very well delivered comments.

Is that the way you would like me to put it, sir?

Hon. Mr. Ramsay: They were long but I am not so sure they were well delivered. I put in a few words along the way with a beat-up mouth.

The Acting Chairman: I do not think so.

The committee adjourned at 4:26 p.m.

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Hansard

Official Report of Debates

Legislative Assembly of Ontario

Standing Committee on General Government
Estimates, Ministry of Labour

Fourth Session, 32nd Parliament
Wednesday, November 28, 1984
Morning Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, November 28, 1984

The committee met at 10:04 a.m. in committee room 1.

ESTIMATES, MINISTRY OF LABOUR (continued)

Mr. Chairman: I call to order the estimates of the Ministry of Labour. I believe the critic for the Liberal Party will start off this morning. I think the minister wants to comment briefly beforehand.

Hon. Mr. Ramsay: Yes, I have two items. The first is a very sad one. I want to comment in respect to the passing this morning of Jim Renwick. It is a shock to all of us in the House.

Jim was probably the first person I got to know well in the New Democratic Party benches, outside of my neighbour, Bud Wildman. I always found Jim to be extremely gracious. He was a joy to work with. Any time he had a problem with our ministry, it was a real, rare opportunity to work with him and it was always done in a very positive way. He was a very articulate, courtly person, very qualified and extremely competent. It will be a tremendous loss to this Legislature. In my estimation, he certainly would have to be among a very select few at the top of those most widely respected in the Ontario Legislature.

The other thing I would like to say is that the member for Hamilton East (Mr. Mackenzie) raised the question with the Speaker in the House the other day about the length of my remarks last week. In retrospect, and in trying to be fair, I cannot disagree with the concern he expressed. If I were in his shoes, I would probably be expressing the same concern.

I do not apologize for the length of the remarks. Our ministry is a complex one. There are a lot of issues, a lot of branches, a lot of matters we have to study and appraise. A statement of that length gives us a chance to put on the record some things that we think should be on the record.

On the other hand, as the member for Hamilton East pointed out, the hours were cut to 15 this year. We had more than 20 last year. When you take up one third of the time with an opening statement, it just does not leave sufficient time for the opposition parties.

As far as I can make a commitment, not being able to look into the future, I will make this commitment to the committee: If I am in this same post when estimates come up next year, I will keep my comments to two and a half hours; in other words, half of what they were last week.

Mr. Chairman: Thank you, Minister. I appreciate—and I am sure that the members of the committee all feel the same way—your expressions with regard to the passing of Mr. Renwick.

Mr. Mancini: Mr. Chairman, on behalf of the Liberal representatives here today, I want to endorse the comments made by the minister in regard to Mr. Renwick. We also want to offer our condolences to Mr. Renwick's family, relatives and friends. We are just as shocked as the minister and everyone else in this room. We are very sad over the passing of Mr. Renwick, and find it very surprising. As I said earlier, we offer our condolences.

In regard to the minister's comments about next year's estimates, he is right when he says that he is unable to judge the future and make a firm commitment about how long his opening statement for the estimates are going to be next year, because I fully expect myself and my colleague, Ray Haggerty, and a large group of new Liberals to be on the government benches. Minister, we will solve that problem for you.

Hon. Mr. Ramsay: I am not going to make any comment at all.

Mr. Mancini: This year, unlike in the past, I am going to spend part of my time dealing with the policy matters for the Ministry of Labour and also a good portion of my time discussing the actual expenditures of the ministry. As we know, the estimates system has evolved from a system of discussing the actual expenditures into a system in which all parties discuss policies and put their views, opinions and political ideology on the record. The perusing of the actual expenditures has diminished to a point where it is actually dangerous.

We spend all our time talking about these very important policy matters but we do not really get to the heart of whether or not there has been managerial efficiency in the ministry. In that regard, I want to bring to the minister's attention

a letter, dated March 23, 1984, that was sent to the minister.

I would like to put this letter and the order paper questions that followed on the record, because we want answers to these questions. The Liberal caucus has decided as a group it will place similar questions before every minister and try to obtain the answers. This letter, dated March 23, 1984, reads as follows:

"I am enclosing a copy of a series of questions which I have placed on the order paper relating to your ministry"—the Ministry of Labour. "A number of these questions had been asked last year by way of order paper, which your ministry declined to answer on the grounds that these questions were more properly the subject of discussion during committee deliberations of the ministry's estimates. I find such a reply totally unsatisfactory and indeed lacking any logical basis whatsoever.

"However, if it remains your intention that such a policy apply to order paper questions, which are herein enclosed, then I would like this letter to serve as notice of my expectation that you will provide answers to these questions in your opening statement of your ministry's estimates.

"These questions, which I have placed on the order paper, relate specifically to spending practices of your ministry. I trust you will agree that the members of the Legislature and the public at large have a right to an accounting of how taxpayers' moneys are spent."

In view of the fact that we did not get a reply to these questions once they were placed on the order paper, or after having served notice on March 23, 1984, some six months ago, in seeking answers to these questions, I will place them on the record today and hopefully receive the answers in due course.

These questions were placed by me. I will not be repeating my name. I will just go through all the questions.

1. Inquiry of the ministry: Would the Minister of Labour indicate the amount of money spent by the ministry for: (a) management consulting services; (b) technical consulting services, (c) communications services; (d) legal services; (e) research and development services; and (f) creative communication services as defined by the Management Board of Cabinet Manual of Administration for the fiscal years 1978-79 to 1982-1983 inclusive?

2. Would the minister indicate the number of contracts involved in each of the categories and for each fiscal year as outlined above?

3. Would the minister, for each of these contracts, name the individual, individuals, companies or firms awarded the contracts and indicate whether or not the contracts were tendered?

4. Inquiry of the ministry: Would the Minister of Labour indicate the number of people who are employed by the ministry under contract or otherwise, who are not classified as civil servants?

5. Would the minister indicate the total cost incurred for these services for the fiscal years 1981-82 and 1982-83?

6. Inquiry of the ministry: Would the Minister of Labour indicate how many vehicles are rented, leased or owned by the ministry? What is the expense incurred and description, model and year of each vehicle owned, rented or leased by the ministry?

7. Inquiry of the ministry: Does the Minister of Labour's parliamentary assistant have access to government-owned, chauffeur-driven limousines? On what basis and conditions?

8. Inquiry of the ministry: Would the Minister of Labour outline the number and destination of all trips taken outside of Canada by the minister, the deputy minister and the assistant deputy minister as a public expense for each of the fiscal years 1981-82 and 1982-83?

9. Would the minister outline the members of staff and nonministry personnel who accompanied the minister or deputy minister and assistant deputy ministers on any of these trips? Would the minister indicate the purpose and cost of each trip headed by the minister, deputy minister or assistant deputy ministers? How many direct jobs have been created in Ontario to date as a result of each trip?

10. Inquiry of the ministry: Would the Minister of Labour table the public opinion polls commissioned by the government during the fiscal years 1981-82 and 1982-83? Would the ministry indicate the cost of each poll, the company which took the poll and whether the undertaking was tendered?

11. Inquiry of the ministry: Would the Minister of Labour specify: (1) The number of employees directly responsible for communications with the public and press and the total salaries in the communications information branch of the ministry and any of its agencies, boards and commissions for the fiscal year 1982-83; (2) the number of clerical and support staff, contract staff who assist communications officers and their total salaries for the fiscal year 1982-83; (3) the number of employees directly

responsible for communications with the public and press and total salaries in the communications division of the ministry and any of its agencies, boards and commissions for the fiscal year 1977-78, if applicable; (4) the number of clerical and support staff and contract staff who assist communications officers and their total salaries for the fiscal year 1977-78; and (5) whether the minister has a personal media adviser or advisers, and if so, what salary or salaries the adviser or advisers received in the fiscal year 1982-83?

12. Inquiry of the ministry: Would the Minister of Labour indicate: (1) What was the total advertising budget for the ministry and its agencies, boards and commissions for the fiscal year 1982-83; (2) what was the comparable advertising budget for the fiscal year 1981-82; (3) which advertising agencies were employed; (4) were tenders let for these accounts; (5) would the minister provide a copy of the material used in all the promotions, such as brochures, radio and television scripts, direct mailing and other promotional material?

I am somewhat disappointed these questions were not answered when they were placed on the order paper, as has been the tradition of the Legislature. After having given six months' notice, we had no direct reply whatsoever.

Hon. Mr. Ramsay: Would you like me to reply?

Mr. Mancini: Yes, please.

Hon. Mr. Ramsay: I have the answers to those questions here, Mr. Mancini. I am prepared to read them but I would ask the chairman to rule because it would take approximately 20 minutes for me to respond because of the detail of the questions.

Mr. Chairman: I think Mr. Mancini should continue.

Mr. Mancini: Why do we not just give the answers to all the members of the committee and when we meet again I will—

Hon. Mr. Ramsay: No, I think we would want it to be on the record, Mr. Mancini. You have asked direct questions and we have the responses. I must insist on them being on the record.

Mr. Mancini: You are aware that after last year's estimates, you sent us each a document—I will call it that—to answer questions which were not put on the record because of the time problem and no one objected to that.

Hon. Mr. Ramsay: I do not want to get into an argument or a lengthy discussion, but if you will recall last year and the year before, after your presentation and the presentation from the member for Hamilton East, I responded to the main points that were made. This would be a response to the main point that you are making. This would not differ from the procedures followed last year.

The answers that were given to you later were on questions that came up during the give and take in the debate part of the estimates. Last year and the year prior I did give a response to your opening remarks and Mr. Mackenzie's opening remarks. That would be part of—

Mr. Mancini: That is fine, you are going to make the ultimate decision as to how you want to respond to the critics. Do you not think it would be much better, when we did place questions on the order paper, if we were given the reply so that we did not use up this valuable and limited time that we have for the estimates? I just find that is not a very efficient way of conducting business.

I am going to apologize to the critic for the New Democratic Party. It is not my intention to eat up all of the time that is left. I will continue and the minister can make his own decision as to how he wants to answer the questions.

We have spent a great deal of time in the last few days, few weeks, few years discussing the very important matter of plant closures. Over the past couple of weeks in the Legislature, matters have come to a head. The Liberal caucus has tabled a resolution for endorsement by all political parties in regard to the Black and Decker Canada Ltd. strike.

The New Democratic Party had requested and did receive consent from the House to have an emergency debate conducted on the proposed Black and Decker closure in Barrie, where more than 500 jobs will be lost. Many good comments were made during that emergency debate.

I believe it is very important that we spend some time discussing plant closures in the committee because there are some very important matters that should be on the record. I would just like, in short, to recap what took place in the Legislature, and possibly add some new information.

I pointed out in my opening remarks—when we were discussing the matter of plant closures and the loss of 500 or more jobs from Barrie—the loss of the large amount of taxes to municipal government that is paid by the Black and Decker plant, and the loss that will accrue to the public utilities commission because that company will

no longer be using its services. Of course, all of these costs ultimately will be passed on to the ordinary ratepayers in Barrie. Not only will they lose the \$40 million a year in payroll that was injected into the community, but they will lose all of these other benefits. Property taxes will probably have to go up. Public utilities rates will probably have to go up.

It has been quoted that 900 other jobs will be lost as a direct result of the closing.

The minister knows full well that whenever the government announces the opening of a new plant or when a minister travels to some part of the province to cut a ribbon for the opening of a new plant or construction project, the ministries involved always give two figures: the number of jobs that will be created by this particular project or projects; and the the number from the spinoff effect.

We know then full well that when the system goes into reverse, when we have closures and the loss of jobs, particularly 500 all at once in a small community like Barrie, we will have the same effect in reverse. As we can see, it does not take a trained eye to come to the conclusion that Barrie has been very hard hit.

I mentioned in the House how distasteful I have always found it—and I know the minister does not use this when he runs for election in Sault Ste. Marie—that many of his colleagues, and many political candidates who run under the same banner, have a catch slogan they always use. It states, “Elect a member on the government side and you will be better represented.”

That has been used in every election in which I have run, in every campaign in Windsor and Essex county. I know for a fact it has been used in Chatham and all over the province. It is something as certain as that the sun will rise tomorrow.

I know the minister does not use that, because when he was running in his first election I happened, by chance, to be in Sault Ste. Marie. It was not to campaign against you, of course. I would not think of doing that. These huge billboards were up. “Russ Ramsay” was on them. I said, “That is interesting.” I was looking for the party identification. You know, after studying the billboard, I found there was none. It said, “Elect Russ Ramsay, a man you all know.” I thought that was rather intriguing.

Mr. Haggerty: It got results, did it not?

Mr. Mancini: I guess it worked. We know for a fact you do not use that type of distasteful slogan in your area.

Hon. Mr. Ramsay: On a point of order, Mr. Chairman: just for the record, the member must have been enjoying some of the wonderful food or something in the area when he was there, because the signs did have party insignias.

Mr. Mancini: How big were they?

Hon. Mr. Ramsay: I cannot recall, but I know they were there.

Mr. Gillies: They were huge. You have very selective vision.

Mr. Mancini: All I saw was what I am sure—

Mr. Mackenzie: Some people might ask, what has Remo been smoking?

Mr. Mancini: I do not smoke. No. I have watched what has happened to the Premier of New Brunswick. You have to be careful. I will admit, though—

Hon. Mr. Ramsay: With apologies to the chairman, we are getting off the mark here.

Mr. Harris: It is interesting stuff, though.

Hon. Mr. Ramsay: I know your party sent a member up just about every second day and sent your leader four or five times. The New Democratic Party sent up a member just about every day, as well as the leader six or seven times. Our strategy at that time, and maybe this—

Mr. Haggerty: Do not give those secrets away.

Hon. Mr. Ramsay: Well, this might be why you think that we—

Mr. Mancini: You do not have to defend yourself.

Hon. Mr. Ramsay: No, I am not. I find it kind of interesting.

Our strategy was that we would not bring the troops in from Toronto. We felt we could run the campaign from Sault Ste. Marie on our own. So we let the Premier (Mr. Davis) come once, and Roy McMurtry came once. That was it; no one else came up from Toronto.

Mr. Chairman: Let us get on with this, Mr. Mancini.

Mr. Harris: Mr. Chairman, I am enjoying this. Do not cut it off.

Mr. Mancini: In any event, this all leads to the main point, which is that plant closures can and will happen anywhere. A false pretence is given to the people of a particular constituency and, in general, throughout the whole province.

I find it not good for the democratic process to indicate to the people they will get their fair share—not more than that, but they will not get that much unless you are part of the government.

I was quite surprised when I saw it the first time and it still surprises me.

10:30 a.m.

Anyway, we have seen the heart of the community ripped out by this closure in Barrie, an area represented not only by a government member, but a cabinet minister. Barrie will take a long time to recover from this particular plant closure.

I realize we are having a meeting on Friday and I realize the minister has been cordial enough to invite a representative from each opposition party to attend. I will be glad to attend and we will put forward questions for officials from the Black and Decker plant. I hope we will receive some answers at the meeting or shortly thereafter. I know the member for Simcoe Centre (Mr. G. W. Taylor) will also be there and will do his bit.

When we looked at the plant closure that transpired in Barrie, we saw many interesting things. We saw a plant that had been highlighted by Canadian General Electric Co. Ltd. in a previous annual report. Statements were made by people directly involved, with high and powerful positions in the company. We saw the annual report that stated sales of the skillets had gone up more than 700 per cent.

We read comments by the same people who, after General Electric had sold the operations in Canada—the plants in Barrie and Brockville, particularly—implied the future was good for Black and Decker Canada Inc. They implied there was no need to worry about the sale to this other multinational corporation as this would not in any way affect people's jobs. They would make the jobs even more secure.

Unfortunately, five and a half months later we find exactly the opposite is true. We were told the plant was closed because of rationalization and because there was no market: "We are competing on a worldwide basis and we have excess capacity in Brockville. We are going to send 190 workers to Brockville in order to minimize our costs, so we can be competitive for the future."

I find it very difficult to accept these particular statements, not because of any personal feelings, but based solely on the information produced by the GE people prior to the sale of the plant. They were touting their expertise in this area and the fact that skillet sales had dramatically increased.

The same person—a Mr. Ken Lyons, if I am not mistaken—who when he worked for GE was saying all these wonderful things about Black and Decker, was saying the jobs were secure

then, five and a half months later had completely reversed the scenario for the future of that plant.

Yes, we did get an emergency debate. Yes, some members of the government replied. Yes, the minister replied. As usual, he expressed his concern and took some limited action. He convened this meeting.

What is going to happen to Black and Decker Canada in the future? I do not know. Maybe the minister will be as able, in this particular situation, as he was in his own constituency, where he was faced with a plant closure, and used all of his authority and negotiating skills to obtain federal and provincial funding, in order to help with the sale of that particular operation.

Maybe the minister will be able to call on all those negotiating powers and skills he used in the past, and maybe Black and Decker can be saved. I guess a lot of that depends on what the local member may be able to do.

Maybe the minister can suggest to the outgoing Premier that he should write a letter to the Black and Decker people and ask for a two-year moratorium, the same way he asked for the two-year moratorium at the Griffith Mine. Maybe we can expect that.

Is the Griffith Mine in Mr. Bernier's riding?

Hon. Mr. Ramsay: Yes, it is.

Mr. Mancini: Maybe, if the Premier will not do that, we have to conclude only senior ministers like the Minister of Labour or someone like Mr. Bernier have the clout to prevent, stall or forestall the layoff of workers.

I find it very interesting indeed—I guess I should not be surprised by anything that transpires within this government—that the Premier would write a letter to appropriate officials operating the Griffith Mine telling them he wishes to have a two-year moratorium on that closure, and that, as we go along during these two years, we are going to see if we can prevent the plant closure and the total breakdown of that community.

Then we have the Minister of Labour, in his own community, being able to pull out of a hat, in federal and provincial dollars I believe you said, Minister, \$4.8 million.

Hon. Mr. Ramsay: Does this sound right? Yes, \$4.8 million.

Mr. Mancini: I am wondering what we can pull out of the magician's hat for Barrie. I am hoping there is going to be something there. Possibly something positive might happen.

I would like to comment generally on the feedback we get from the government in regard to plant closures. I know the minister will say,

"For economic reasons, these plants have to close, and it is unfair of us to tell them they have to stay open when economically they are being bled to death."

On first scrutiny that sounds almost logical; but, when you realize what is happening at the Griffith Mine, with the pressure the government is putting on, and when you realize what happened in the minister's own riding, then that scenario breaks down a little bit.

We have a third option that is put out for discussion by the Treasurer (Mr. Grossman). Whenever there is a plant closure the Treasurer states—I am quoting from Hansard of October 9, 1984—"There will invariably be plant closures even in the strongest economy. For the most part, those closures are occurring for the same reasons that plants are being closed all over the world, as the process of rationalization continues."

10:40 a.m.

The Minister of Labour says we have plant closures in a poor economy. The Treasurer of Ontario states that we have plant closures any time, even in the strongest economy, because of the rationalization process.

I have to ask: is part of the rationalization process the amount of pressure a cabinet minister or a government can put on a company to keep a plant open? Because of the facts that have been put forward, I have to conclude that, yes, that is exactly how it happens.

If we have an important, powerful Minister of Labour, we save a plant in Sault Ste. Marie. If we have a long-time minister in the Davis government, who has a mine closure in his riding, it is, yes, we are going to place a moratorium on it and try to keep it open. But a junior minister like the member for Simcoe Centre (Mr. G. W. Taylor) and his people—who were told to vote for the Conservatives because they would be served better—are going to have to fend for themselves. I find that very interesting.

Hon. Mr. Ramsay: I always thought Mr. Taylor was senior to me.

Mr. Mancini: A 1984 study produced by the ministry's plant closure branch—I will have some questions about that later on—examined 21 plant closings, as well as the 1,736 affected workers. It concluded that one year after the layoffs, more than 55 per cent of the women laid off were still unemployed, compared to 32 per cent of the men. I suggest to women that they do their best to get a job in an industry where closures are not likely to happen.

Of the women who did get new jobs, 42 per cent earned less than before, compared with 25

per cent of the men. I guess we can conclude then, every plant closure or major layoff is one more backward step for women.

In this regard, we can bring up the issue of the Simpsons mass layoff. The minister will recall that I questioned him in the House on this matter. I questioned him as to exactly what steps he took, behind the scenes or in public view, to prevent this mass layoff, to see if the staff reduction could be done through attrition, etc.

Please correct me if I am wrong, Minister, but I believe you stated you had several meetings and were negotiating with the people at Simpsons. However, once the laidoff men and women and the people employed at the retail outlets decided it was time to organize and form a union, all these negotiations for benefits over and above the Employment Standards Act broke down.

Hon. Mr. Ramsay: No, that is not quite the way it was put. I believe your question was supplementary. The original question, which I also, if my memory serves me—

Mr. Mancini: I will have to get the Hansard this afternoon, then, and read it into the record.

Hon. Mr. Ramsay: Fine. I believe the question originated with Mr. Rae. He was talking about benefits for part-time workers and was using Simpsons as an illustration.

I pointed out to him, or to you, that at one point we were optimistic that Simpsons was going to provide benefits on a pro-rata basis for part-time workers. We got that feeling, and we had assurances they were looking at it. When we followed it up again, we discovered, because of the organizing going on, that they were holding back because of the negotiations. That is the point I was making.

Mr. Mancini: Thank you. I will try to get that Hansard for this afternoon, if it is possible.

"The plant closure and employee adjustment branch has five full-time staff: two officers, one statistician, one secretary, and one advisor to the minister. The branch's employee counselling program was developed in 1981 to provide employees affected by permanent job loss, especially due to plant closure, with professional assistance in the areas of job search techniques, career assessment, access to retraining, retirement counselling, financial counselling and so on."

That is quite a large undertaking. I would have to say that a branch of five people, two of whom are designated as officers, would find it impossible to do what has been suggested they in fact do. Does that make sense?

Mr. Chairman: Yes. Go on.

Mr. Mancini: "The program is primarily aimed at assisting victims of large-scale permanent job loss resulting from the closure of their employer's place of business. Although the program is also offered in selected nonclosure situations involving permanent job loss, there are no formal step-by-step procedures laid down by the ministry for this branch to follow up on notification of layoffs or closures."

I find it quite exceptional that the ministry has a department referred to as the plant closure and employee adjustment branch, yet once it receives notification that a closure or partial closure or mass layoff will take place, the two officers in that branch have no formal follow-up procedures to deal with the matter.

Hon. Mr. Ramsay: What are you quoting as your source?

Mr. Mancini: Why is that important? Is that true?

Hon. Mr. Ramsay: No, it is not. I am wondering where you are finding this information.

Mr. Mancini: That is good. I would like to be corrected if these things are not right. I would like to see the formal process that takes place.

Hon. Mr. Ramsay: Certainly. Do you want that answer now or do you want to wait until the end?

Mr. Chairman: Mark it down and give it to him later on.

Mr. Mancini: We would like to know when that formal process was instituted, please.

We have a list of closures. Maybe I can read some of them from a computer list headed "Ministry of Labour research branch: reported permanent and indefinite layoffs involving less than 50 employees in Ontario that have occurred between January 1 and December 31, 1983."

As we go through this list, we see a good number of the plant ownerships are in Canadian hands, with some American. We can see that layoffs of fewer than 50 people have affected every part of the industrial sphere in every region of this province: Windsor, Toronto, Don Mills, Cambridge, Georgetown, Sault Ste. Marie.

10:50 a.m.

Even in the minister's own riding, Abitibi-Price Inc. had a layoff of 43 people. This is a very lengthy list of the 50 and under. Unfortunately, even in my own riding, in Amherstburg, we had a consolidation by Canadian Cannery Ltd., which operated a very old plant in Amherstburg that

would have cost many millions of dollars to refurbish. We had 16 layoffs there in 1983 and a good number of those people have been transferred to Leamington. There has been no part of the province left untouched.

The reason I inject something we all know into the record is to emphasize once again that plant closures and mass layoffs touch everyone. No one is immune from a potential plant closure or mass layoff. That is why we have to spend a significant amount of time on this particular subject.

The Ministry of Labour research branch reported permanent and indefinite layoffs involving 50 or more employees in Ontario that have occurred from January 1983 to December 1983. This was printed on March 21, 1984.

I see many of these larger layoffs occurred in American-owned firms, much more so than with the smaller layoffs. That tells us one thing very clearly: a good portion of our large industry is owned outside of our borders and tremendous havoc can be caused by one decision made outside our boundaries.

We have layoffs on this sheet that range anywhere from American Motors (Canada) Inc., Brampton, owned in the USA, where the first layoff affected 478 employees, the second layoff 173; to Black Clawson-Kennedy Ltd., US owned, in Owen Sound, 104 layoffs; to—it is funny we should run into this one—Canadian General Electric Co. Ltd., Peterborough, US owned, 501; to Celanese Canada Inc., Millhaven, British owned, 70; to Certified Brakes, a Lear Siegler company, Rexdale, owned in the USA, 84; to—another blow to Peterborough; I think Peterborough is represented by a government member—Westclox Canada, a division of Talley Canada Inc., Peterborough, ownership in the USA, 113 employees affected.

The list goes on. Some of them are Canadian companies, even in the minister's own riding. I guess you were not able to save this one: Century department stores, Sault Ste. Marie, 80 employees were laid off. At White Farm Equipment Canada Ltd., Brantford, US owned, the total number of affected employees was 42.

On this computer printout sheet I have—I read the title into the record already—we have a total of 113 establishments that reported plant closures or layoffs of more than 50. I already have discussed the layoffs of fewer than 50.

The total number of employees affected for the calendar year of 1983 is 16,934. We have a department staffed with five people, two of whom are deemed to be officers, and their

responsibilities include assisting the laidoff workers with professional assistance in the areas of job-search techniques, career assessment, access to retraining, counselling, financial counselling, and so on.

With all respect, I have to say that the resources we allocate to the plant closure branch are woefully small and could, in no way, deal with the nearly 17,000 people who lost their jobs in 1983. Even with the assistance you get from the trade unions when you set up these committees, it is virtually impossible to help the employees.

Another area of concern—not only to the people who are laid off but to all working people, especially if they want a little bit of mobility—is the matter of pensions. Where are those portable pensions about which we have talked for some time? Why is the issue of pensions not on the front burner?

This matter of pensions, in itself, literally ties an employee to an employer for the rest of his or her life, and if the employee wishes to make a move, the penalties are just tremendous. We want a mobile society. We are in a mobile society. We want people to be able to relocate or accept opportunities in different places if they are available, but one of the main stumbling blocks is the pension system. Without mobile pensions, the work force is certainly less mobile.

We have spent a lot of time over this past year or so—and the minister has personally spent a lot of time—dealing with the Workers' Compensation Act and the review of that act. I am not going to be critical. I am not trying to say you have not been a hard-working minister, but this matter of pensions has to come to the forefront as soon as possible. It should be up for discussion right now.

The occupational health and safety division is one of the most important branches of your ministry. I believe there is not a member in the House who does not want a safe work place for the working people of Ontario.

I realize the minister used a great deal of his opening comments to talk about occupational health and safety, and I want to inform the minister that my colleague, the member for Erie (Mr. Haggerty), is very concerned about this issue and, as the estimates go on, he will have a few comments to make on this particular matter.

Mr. Haggerty: Hopefully.

Mr. Mancini: Hopefully, we are going to give you time.

11 a.m.

Mr. Hennessy: If there is any left, he can take what is left.

Mr. Mancini: We are going to make sure he gets some time.

The occupational health and safety branch, as you said in your opening statement, Minister, literally is responsible for millions of people. I believe the committees that have been set up will do a reasonable job in themselves, but people can only do that in so far as available information is provided to them. People cannot do a reasonable job in the work place as far as occupational health and safety is concerned if that does not happen. They then end up working in unsafe conditions, and I refer particularly to chemicals and toxic substances.

We could spend a great deal of time talking about which substances should be on the list and which should not. I realize it takes scientists years to decide these things, and that everything has a cost value attached to it. Those are all foregone conclusions, but do you not think things would be somewhat better if we concentrated our efforts a little more on these toxic substances and chemicals?

When we realize the number of new substances that are brought into the working environment on a weekly basis, I become a little concerned and nervous. What I am trying to say is that we take everything seriously after something happens, and that is part of human nature. Many work places are being cleaned up. Many others are still a danger to the employees.

When you see reviews like the one on the Journal, two nights ago, you realize just how unscrupulous some companies have been—I guess in that review it was Hooker Chemicals and Plastics Corp., from the United States—and how uncaring it was at the time to dump all those chemicals near a source of water.

If a company like that is willing to pollute to a dangerous level the whole of Lake Ontario over a period of years, I for one have to believe they would not really give a damn about the conditions in which their employees worked. They would just say: "What is the bottom line? Oh, yes, we have a regulation here from the ministry, and no, these are not regulated. Fine, let's go."

As the minister knows, we have talked about this for a short period in the House, but I will leave further details to my colleague, Mr. Haggerty.

I quote from the Toronto Star, April 19, 1983; the headline reads: "Work-Related Cancer Could Kill 6,000 in Ontario This Year: MD."

The article reads: "About 6,000 people will die of work-related cancer in Ontario this year, many without realizing the link between the disease and their job, says the director of the clinic of occupational illness at St. Michael's Hospital."

"Dr. James Nethercott said he considers the figure 'a reasonably conservative and fair estimate.' Others argue the toll will be higher."

When we read things like that, we have to wonder what is breaking down in our regulatory system, which would prevent some of these toxins from being used or altered somehow, if they can be. It is just very scary.

I realize, as I said earlier, the minister had a lengthy discussion on occupational health and safety in his opening comments, and he mentioned all the many fine things the ministry is doing. However, I say again that the workers cannot protect themselves if they do not have the information as to what is dangerous and what is not. The horror story created by Johns-Manville Canada Inc., the large corporation that used asbestos almost as though it were candy, had thousands and thousands of employees subjected to asbestos fibres. In Windsor we had a related incident with the Bendix people.

You see that many thousands of employees have been subjected to a particular work environment, even though many experts outside that specific work place or outside of the governmental system, and possibly even the government and the company itself, knew. Some argued very strongly that, yes, they did know that asbestos was very dangerous, yet we let workers handle it for a good number of years before anything was done about it.

When you have information like that in front of you, and when you read about 6,000 work-related cancer illnesses and that people will die from these illnesses this next year, you really have to wonder at the level of energy we are expending towards minimizing these illnesses.

I think the situation has changed a lot. In the past we had equipment that employers would not modify in order to make it safe. Your officers would go in and tell them to put a protective device here, or to change it so the press worked this way, so there is a protective shield in front of it and the employee does not lose a finger or something. I think your ministry does not do too bad a job as far as that end of it is concerned, although even in my own limited time I have been able to point out some breakdowns in that system.

However, I think the real effort is required in the very scary situation that involves the toxins

and the chemicals. We cannot rely on the corporations. Johns-Manville taught us that. Hooker Chemical in the United States taught us we cannot rely on the corporations. We have to rely on the government, which has the money, the power and the regulatory authority to make things happen. We are relying on you people.

The minister also mentioned in his lengthy opening address the very difficult matter of finding work for the disabled. The unemployment rate at about 11 per cent across the country puts even more pressure on the disabled when they are looking for work.

The minister mentioned some programs—I cannot recall them exactly—his government is undertaking to provide work for the disabled, but I believe I am correct when I say that more than 50 per cent of the disabled who wish to find jobs, are not able to do so. I think that is a reasonable figure.

Mr. Mackenzie: It is more like 80 per cent.

11:10 a.m.

Mr. Mancini: Oh, 80 per cent; thank you. Mr. Mackenzie corrects me. It is more like 80 per cent.

I was wondering just when we can possibly expect a significant breakthrough, or is this likely to happen? I think we would be better off to know, for example, within the next decade, that almost 80 per cent of the disabled should not expect jobs because the jobs are not going to be there, rather than to make flowery statements about what the ministry may do, will do, or is going to do, and leave people waiting, hanging on and hoping that something will come along to benefit them.

Affirmative action: I believe we will have no significant progress for women unless we have mandatory affirmative action. As a matter of fact, I have come to the conclusion that mandatory affirmative action would go a long way to solve the equal pay dilemma we face. Once we are able to get women into areas of work and into positions that have been denied them in the past, I think the equal pay matter, in a very few short years, will be less of a problem than it is today.

We talked last year about the operators who work at the Queen's Park switchboard. If I am correct in the figures, last year they made around \$14,000 or something of that nature. They were required to have a grade 12 education and some work experience and a couple of other skills.

The parking lot attendants, who did not need any of these qualifications, were making \$4,000 or \$5,000 a year more.

If 50 per cent of the parking lot attendants were women, and there is no reason why this should not or could not be, that kind of affirmative action would go a long way toward closing the gap on the matter of pay.

If we hired two or three men to work as switchboard operators, it would not be very long before we had their pay up to \$18,000 or \$19,000, and a very significant problem would be resolved.

I am not saying it would be the panacea of all the problems facing women in the work place, but I think mandatory affirmative action would definitely be something the government could undertake and administer, employers could live with, and that the vast majority of the people of Ontario would find acceptable.

As the minister was reading his 212-page opening statement, I made comments and underlined certain areas, and I was going to use my opening statement to ask the minister pointed questions on some of the things he said. I do not believe I will do that at this time, but I do want to deal with a couple of other areas before I turn the floor over to my colleague.

I want to say to the minister—as I said very briefly during his opening statement—that I am, and was at the time, a little disappointed that no reference was made to the youth employment program the Liberal Party put forward last year and that I partially read into the record during last year's estimates. Time did not allow me to read the whole document. It was too lengthy.

Youth employment—I should say youth unemployment—is at a dangerous level and has been for some time. Even in the minister's own riding there is a high level of youth unemployment even though the Treasurer has announced a plethora of new programs in his last budget, some to begin this year, some to begin next year and some to last for three years. He did an incredible numbers job on the House.

We do not see the employment situation improving for youth. We are talking about long-term, stable jobs for our young people so they have a stake in their community, a stake in their province.

I believe the worst thing that we can do to anyone is to deny them the opportunity of having a stake in their community and/or their province or country. When we do that, we produce very poor citizens.

The matter of youth employment is, I guess, undertaken by the Provincial Secretariat for Resources Development. Do they have a youth employment branch?

Mr. Gillies: Social development.

Mr. Mancini: The Provincial Secretariat for Social Development?

Hon. Mr. Ramsay: But really, Mr. Mancini, for clarification, the Ontario youth commissioner works out of the Board of Industrial Leadership and Development office.

Mr. Mancini: Thank you. You have helped me make my point. The matter and the issue of programs and how we are going to approach youth unemployment is under the jurisdiction of too many people.

Hon. Mr. Ramsay: It is all co-ordinated under the Ontario youth commissioner.

Mr. Mancini: I want to further maintain that this matter is under the jurisdiction of too many people. The Provincial Secretary for Social Development—

Hon. Mr. Ramsay: It has been co-ordinated just as you suggested. It has been done, followed up—

Mr. Mancini: Just as I suggested?

Hon. Mr. Ramsay: I am not sure you made the original suggestion, nevertheless it is—

Mr. Mancini: Why, then, is the secretariat under one minister? Why does the hockey star, Mr. Dryden, work for BILD? The Ontario Manpower Commission must have some input.

Hon. Mr. Ramsay: The Ontario Manpower Commission is a co-ordinating body.

Mr. Chairman: Just a minute. This is where we always seem to be getting into problems. When we are doing estimates my understanding is the minister has a leadoff statement; the two critics then each makes a presentation.

Mr. Mancini: That is right.

Mr. Chairman: We have spent over an hour dealing with plant closures, in which you are very interested and which we debated in the House for a whole afternoon. I am observing and wondering if we are just spinning our wheels in getting to the point of the estimates we are dealing with.

It is up to you. If you want to discuss that, I have no qualms about your discussing anything you want. For observation purposes, I want to see if we can proceed a little more swiftly.

Mr. Samis: Sounds like editorializing.

Mr. Mancini: I have to contain myself somewhat here, Mr. Chairman. We sat back and listened to the minister for five hours, and I think the minister agreed we were very cordial about it.

After an hour and 15 minutes you want to caution me as to how I am using my time?

Mr. Chairman: I said it could not matter less. I said I could not care less how you use your time.

Mr. Mancini: If you do not care less as to how I am using my time then do not interrupt, unless I am out of order.

Mr. Chairman: You are out of order when you are asking the minister questions while you are making your presentation.

Carry on.

Mr. Mancini: I am out of order when I ask the minister a question or when he responds to something I have said? That is out of order?

Mr. Chairman: You can ask questions any time you want, but I thought we wanted to have presentations from each critic. Then questions and answers on certain programs in the ministry could occur in a more productive way.

I do not care. It is up to you, the committee, however you wish to do it.

11:20 a.m.

Mr. Mancini: You guys are running the government; take it over.

Mr. Chairman: Mr. Mackenzie, do you wish to say anything?

Mr. Mackenzie: Yes. I am wondering when, procedurally, I can ask a question of the chairman. It is my understanding that, when we cut the hours, it was from 22 to 18. I think I heard the minister say 15 and that was not my understanding.

Hon. Mr. Ramsay: That was my understanding, Bob.

Mr. Mackenzie: My understanding is that it is 18, and I know we have blocked out three sessions of five hours and then a further three-hour session the final day. I wonder if that cannot be cleared, because I am virtually certain the information I had from our House leader said it was 18 and not 15.

Hon. Mr. Ramsay: She is going right now to find out. On the order paper I think it was 15 hours and that is what I understood it to be.

Mr. Chairman: Same here.

Hon. Mr. Ramsay: There may be some difference.

Mr. Mackenzie: There is some difference there. My understanding was 18.

Mr. Mancini: Your handling of this committee is a disgrace.

Mr. Chairman: Thank you.

Mr. Mackenzie: The other thing: I am wondering if we can agree that the safety and health material, which is better than half of your budget, or almost half of your budget and which covered almost 100 pages in your presentation, could start either first thing next Wednesday at 10 a.m. or at 2:30 p.m.. This would accommodate specific people who want to be in.

I know the member for Erie said, just as he was leaving, that it was no problem with him. I know the member for Algoma (Mr. Wildman) wants to be here and it would be easier if we could have as an order of business a set time for the particular estimates on safety and health.

Hon. Mr. Ramsay: I have no objections. In fact, the member for Algoma brought that to my attention last evening and I told him then that I am very flexible, as long as the chair is.

Mr. Mackenzie: Can we agree then, possibly, on 10 a.m. next Wednesday?

Mr. Chairman: If you think setting a time is the right way to do it.

Mr. Mackenzie: I think it would be the easiest, because it is the major part of the estimates and I think it is important that we deal with it. If we had a set time and we were on another vote, we could leave it and go back to safety and health when we finish. It is obviously the major area to which the minister has responded.

The other thing before starting is that, at the beginning of the session, I did not respond to the minister's comments about my colleague, Jim Renwick. I wanted to leave it for a few minutes until I had my own opportunity to speak.

The thing I would like to say about Mr. Renwick is that, in our caucus—at the risk of reporting caucus business, which none of the parties in this House normally does—he was not only a champion of justice and of civil and human rights, in which he had a personal interest and commitment, but he was a champion of workers and workers' problems.

There are occasions in our caucus when I, who feel very strongly about some workers' issues, was taken to task by Mr. Renwick because I was not being positive or strong enough or tough enough on an issue. No one argued more often, or with more eloquence, in our caucus with respect to specific legislation, specific workers' problems, back to the time of bills 179 and 111 and what they meant to the rights of workers, than did Mr. Renwick.

For Mr. Renwick, what happened to people, and certainly what happened to workers, organized and unorganized, was really what life is all

about in this place. I just thought that should be put on record.

Mr. Hennessy: I would like to add my condolences to the family, knowing Mr. Renwick personally and as a member of the Legislature. It is always a sad blow; more so when you lose such an outstanding member. I think Mr. Renwick was a gentleman all the way, had much to add to the progress of this House, and was a credit to the New Democratic Party.

Mr. Gillies: Mr. Chairman, I must say I am somewhat taken aback. I arrived a few minutes late this morning and I did not hear the minister's words. I learned of Mr. Renwick's passing when Mr. Mackenzie mentioned it a minute ago. I am really taken aback.

Mr. Renwick was a friend. He and I, as a matter of fact, were working together on something of concern to some constituents of mine that also was an area of concern to Mr. Renwick.

I do not know what to say, except that in the four years I have been here I found him to be one of the finest gentlemen in the Legislature, a man with a brilliant and incisive mind, and one of the most articulate speakers in the House. I can echo what Bob has said. He was a man of genuine compassion and concern, not only for the people he represented in his own riding but for people all across the province.

Having just heard this, I must say it still has not sunk in with me, but it is a tremendous loss to all of us. I would like to add to what the other members have said with respect to offering sincere condolences to Jim's family, to the colleagues in his caucus who worked with him for many years, and to say what a terrible loss this is to the Legislature.

Mr. Gordon: Mr. Chairman, I well recall that when I first came to this Legislature a little over three and a half years ago, I found Jim Renwick to be a man to whom you immediately took. I found him to be eminently fair. I had the opportunity of sitting with him on a number of occasions on a social basis and talking about some of the concerns and problems in Ontario.

From time to time, there are people who just stand out. If you were in a crowd, a man like Jim Renwick had a special charisma about him. He had great parliamentary skills and a real interest in the legislation that was going through this House.

When I had the opportunity of piloting the new Health Protection Act through the committee, Jim Renwick was, of course, the critic for the New Democratic Party. Due to his fine abilities

and his sensitivity to the problems of the people in Ontario, particularly when it came to health matters, there were changes made in the Health Protection Act that were due to his advice and counsel. He was the kind of person with whom you could work.

He is going to be missed and I would like to extend my condolences at this time to his family.

Mr. Chairman: The minister has the information requested.

Hon. Mr. Ramsay: My assistant has obtained this from the House leader's office. I have here a copy of a motion that was made by Mr. Wells on Monday, October 29, ordering that, in the standing committee on administration of justice, the time allocation for the estimates of the Ministry of Consumer and Commercial Relations be reduced to 11 hours and 28 minutes, and in the standing committee on general government, the estimates of the Ministry of Labour be reduced to 15 hours. Then it goes on to mention several other ministries and reductions accordingly.

I also have here a copy of the Orders and Notices for the next day, Tuesday, October 30. The estimates for the Ministry of Labour are listed under the standing committee on general government at 15 hours.

Mr. Mackenzie: I might point out to the members here that the kinds of positions Jim Renwick took, the kind of issues he fought for and the determination with which he fought for them indicate that whatever your background, including that of a corporate lawyer, which Jim was, it does not mean there is not some hope for you. I mention that to some of the Tories across the way.

Today has not been a particularly good day. Within half an hour of hearing about Jim, we heard of the loss of Kit Koenen—most of you would not know her. She was a young lady of 38 who spent three and a half months in my constituency office on a field placement situation. She filled in for better than a month and a half when one of my constituency workers was ill, and, with the recommendation of a number of us, she served a year or two as a citizens' advocate in mental health at Hamilton Psychiatric Hospital.

11:30 a.m.

When people with the kind of interest and compassion of these people go so suddenly, it sort of shakes you.

The other thing I want to say to the minister is that when I went up to the Sault, just so you will

know—I would not want to mislead you—it was to try to defeat you, not just to look at your face. If I go back, it would be for the same reason.

Hon. Mr. Ramsay: I would be disappointed if you did not try.

Mr. Mackenzie: I start out a little more disorganized than usual this morning, but there are some things I want to put on record.

First, I want to say that I am unlike my colleague the Liberal critic, who said he was going to deal more with the money in the votes but, during an hour and a half's presentation, dealt with none of them.

I do not think there is a hell of a lot of use spending much time on the particular sections or on the money allotment unless we have individual questions to ask. I do not think there is any overfunding there but, quite frankly, I am not sure any useful purpose is served in the estimates in dealing with the individual amounts in terms of the votes.

There may be issues to be raised but, given the length of time we have taken in both this and the last session—one of the reasons I raised this in the House, and the minister should have it clearly in mind, is that we had some objection to the three and a quarter hours he took last year. To be honest with you, in pique as much as anything else, I took about the same amount of time in the response.

After that, we did discuss the possibility of shortening the statements. I do not know why we need two and a half hours for the statement. A lot of the material the minister presented to us on opening day is in the briefing books of the ministry.

It seems to me the minister's opening statement could be distributed at the beginning of a session of the estimates. There could be a set time for the critics to respond to key points and then maybe we could break down the material to the individual votes. That might make a little more sense.

However, the way we are going, given the time the minister took to cover his ministry's activities for the year, the only way we can respond is in the general response now and, for that reason, most of the individual items I want to cover will be covered in my response. I can tell you it will not take five hours, but I cannot tell you how long it is going to take.

I wanted to set aside 15 hours for the safety and health material because that is a specific area with critics from all of the parties, apart from the Labour critics who are also involved. It was also

a key part of the minister's presentation and should be dealt with in some detail.

I am not sure there is much merit in spending a lot of time on the other individual votes. Therefore, inasmuch as one third of the time was gone before we started, the only way I can see to handle the problem is to cover the waterfront, if you like, in our responses as the critics.

Hon. Mr. Ramsay: Could I just make one quick comment here? I think I have made two commitments, Mr. Mackenzie. One commitment made this morning was that my opening remarks would not exceed two and a half hours next year.

The other commitment I made last week was that I would be prepared to sit down and discuss issues with the opposition critics prior to estimate time next year and that still stands. Let us see what we can work out.

Mr. Mackenzie: If we both hold the same positions between now and next year, the good Lord and the voters willing, that would make sense, because it has become a bit of a farce the way we are doing things. We may get our oars in on the issues but we are doing it, in effect, in reports or speeches.

It was not because I felt it was unimportant, although I am not sure we can change the figures that much, it is just that we do not have time to break it down. That is the problem we are facing with the time.

If I can continue, last year I commented on how little we had accomplished compared with the previous year, in spite of the glowing presentation of the minister. I did again, as I did last year, spend some time going over the Hansards from the Labour estimates.

I said last year that after six or seven sets of estimates I was in danger of becoming a total cynic. I said I was trying to clean up my language but, barring that, I was really beginning to wonder what was achieved. I think I have survived one more year, so maybe I am not totally cynical yet, but it does hurt that so little of real substance has been achieved.

Quite frankly, it hurts to live with the minister's concerns and good intentions, which most of us accept, but it hurts even more to live with the inability to achieve some of the most simple reforms. We need to deal with the serious issues, such as job security, plant closures, employment, and health and safety matters.

In spite of your glowing report, we have not dealt with most of the problems I raised during the estimates of a year ago. We have not dealt in any meaningful way with plant closures, the

assault on workers' rights, or the increasing use and misuse of part-time workers, which is becoming a serious problem in Ontario. We have not dealt with the new technology and its effect on jobs, or workers' pensions. We have not dealt in any real way with equity for women.

We have not dealt adequately with toxic substances and other health and safety issues. I know there is some movement in that field but, once again, I cannot help thinking if we had gone back to the tentative list we received in the estimates six or seven years ago we would have about 30 or 40 regulations in place now and not—what do we have: nine, with the latest two? The list of problems we have not dealt with goes on and on.

In addition, I am disturbed by the increasing tendency of this minister to suggest to workers and their unions they should go to the Ontario Labour Relations Board with disputes concerning the fundamental rights of workers. I know that is the agency used. I also know we are having some hellish long delays with respect to addressing some of the serious problems that go before the board. I want to deal with that a little later.

I am referring to those explosive cases obvious to anyone in terms of an intent to destroy a union or a worker's right to representation. If I may, I would like to start by making a few remarks about Radio Shack. We have raised this matter time and again in the House. The minister well knows the fight the workers went through to achieve a union at Radio Shack in Barrie a number of years ago, and the long and bitter strike that followed.

The minister is aware the beginnings of a national boycott were necessary in that situation. He is also aware, I am sure—he could not be otherwise—that there was a determination from the day that strike ended to destroy the union there. The minister must know there are about 60-odd plants of the Tandy Electronics Corp. and not one of them is organized, to the best of my knowledge. Management has made it extremely clear it intends to get rid of the union in this case.

The minister is also aware of what has been going on there recently since the beginning of the strike. Five incidents have occurred since its so-called ending just recently. There have been 33 criminal charges in total: 21 of impeding traffic, nine of mischief, two of dangerous driving, and one of assault.

Five people have been fired, including a young woman I have met and to whom I have talked, as I did some of the others, following the latest dispute. Lisa Devoe has probably been the key

person in the entire organization; and she is a very decent individual, I might say to the minister. Two people have been suspended for a month, relating to mischief charges, and one person has been given a one-week suspension after having returned to work for two days.

In Lisa's case, she was fired after having been back at work for five days. The trumped-up charge is arguing with some of the scabs in the plant. I do not know how far we have to go, with a case that even the minister has said causes him some concern, to understand that this is just one of a number of assaults on workers across this province.

It is worth reading into the record part of a letter that was delivered to the Premier (Mr. Davis) yesterday morning. I suspect the minister has seen a copy of it. It is from Gerard Docquier, the national director of the United Steelworkers of America. He is saying what a number of the major heads of unions are saying to me and it reflects some discussions we are having. It will put into context my concerns and the arguments I am trying to make. Leaving out the first couple of paragraphs that deal with congratulations to the Premier and so on, and his own career, Mr. Docquier says:

"I am writing to request your government's serious consideration of a labour relations matter that I hope you can attend to before you leave office. You are doubtless aware of the situation between Radio Shack, a division of Tandy Electronics, and our union. Since the matter of our union's claims of bad-faith bargaining on the part of the company are now before the Ontario Labour Relations Board, I shall not bother you with specific details, but the larger picture is one of great concern to us and we believe it should be of concern to all who are committed to the civilized practice of industrial relations in Ontario.

11:40 a.m.

"Your administration is responsible for changes in the Labour Relations Act which have had a significant positive impact in areas that were formerly troublesome, sometimes to the point of disorder. I cite the union security legislation enacted in the wake of a series of first-contract disputes of five years ago as the most important of recent examples.

"As you will recall, other changes were included in that particular package to which we were not well disposed, but we supported the passage of the total package because of our conviction that the dues checkoff legislation was a significant, stabilizing and just piece of law.

We believe that subsequent collective bargaining practice bears out that conviction.

"But subsequent events have also demonstrated the persistence of large areas of acute industrial conflict that are quite beyond the normal, sometimes acrimonious, labour-management disputes that are part of institutionalized collective bargaining. Those extraordinary areas are to date untouched by law and are growing in significance and danger. I refer, of course, to the widespread practice of strikebreaking and scabbing.

"The Labour Relations Act amendments which were passed in the wake of the Claude Dougdeen tragedy are, frankly, of minimal value. Outlawing the professional provision of strikebreaking services does nothing to outlaw the practice. We continue to witness throughout the industrial relations scene in Ontario determined strikebreaking activities by employers who have no interest in good-faith collective bargaining.

"These activities take many forms, from the crude to the sophisticated. Sometimes both extremes exist in the same dispute. Most distressing are situations such as Radio Shack, in which employers plan well in advance of an agreement's termination a concerted effort to intimidate employees and to replace them during the anticipated strike.

"The very planning of such behaviour causes a deteriorating, acrimonious atmosphere at the bargaining table and then on day one of the strike itself, when the first vanload of scabs appears, no confidence is left that the employer ever intended to reach an agreement. That this is particularly true in the Radio Shack case is evidenced by the company's response to the union's decision to take the company's last offer. Radio Shack simply claims that the offer somehow vanished. That too, is a form of strikebreaking, Mr. Premier.

"I have two larger concerns about the issue as it relates to public policy generally and the economic future of the province. The usual argument of management that employers must have the right to operate struck plants with replacements would only be remotely meaningful in the situation of genuine economic equality.

"But this age of increasing corporate concentration combined with the multinational branch-plant nature of much of our economy makes arguments about equality almost meaningless, especially in the case of a labour dispute. Judicially, Steelworkers Local 9011 and Radio Shack division of Tandy Electronics are equal

partners before the labour relations board. But in reality whatever pressure can be brought to bear by the legal strike action of one small local union is more than absorbed by the vast corporate entity of Tandy. The strike in itself becomes almost superfluous but it is, alas, the workers' ultimate weapon."

I am reading this into the record because I think Mr. Docquier has articulately put forward the problem we are facing.

"This imbalance then makes the deliberate strikebreaking strategy of Radio Shack ludicrous to the point of the obscene. Legislation to outlaw strikebreaking and scabbing would certainly not create a new equality between workers and the corporate sector, but it would be a small step towards justice.

"My second concern relates to the general atmosphere pervading much of Ontario's economic life. With unemployment likely to remain high, with our critical manufacturing sector vulnerable to imports, with US interest rates continuing to make our lives difficult, it is unlikely that our industrial affairs will soon take a dramatic turn towards civility and consensus.

"Those values are important to us and we intend to participate in any government initiatives that might promote those values. But I detect a growing restiveness, an unease among our local activists, even in those operations where we have long-standing, generally amicable bargaining relationships. The reasons for this unease are not simply the social and personal impacts of the recession.

"The reasons are also the lessons of Irwin Toy, Automotive Hardware and Marshall Industries strikes and, indeed, of the countless others in which crude union-busting methods have been used. There is an uncivil atmosphere around labour relations in Ontario today. Our members and those of other unions believe that their legal democratic rights are increasingly held in contempt, not respect.

"I submit that this problem of declining civility has impacts and repercussions far beyond the economic difficulties created by labour disputes. It affects the very relations between individuals and groups in our society. Growing numbers of workers, organized or not, will come to believe that the fine words in the preamble to the Labour Relations Act reflect the Utopian situation and not the real world of Ontario.

"I suggest, Mr. Premier, the very least that can be done to assure working people and all Ontarians that economic difficulty will not be allowed to encourage the trampling of demo-

cratic rights is the abolition of strikebreaking and scabbing. Such an action would not simply reflect your government's goodwill towards the rights of workers, it would send a message to the large foreign-based employers that doing business in Ontario means respecting Ontario and its people. In our view, Mr. Premier, there are few acts of which working people and their representatives would be more appreciative. It would be history-making; more importantly, it would be just."

Attached to this letter was a copy of a telegram that had been sent to the Attorney General (Mr. McMurtry) and the Premier (Mr. Davis) concerning the last five charges laid against employees of Radio Shack and the continuing examples of harassment going on in that particular company.

I think the point, and I do not have to belabour it, is that there is a growing feeling out there. How in blazes do you fight from any position of equality, especially when you are dealing with a small branch plant against a multinational corporation that can do what it pleases in terms of imports, exports and supplying the market? That is just a tiny little part of its operation and if it decides, as it has obviously decided in the case of Radio Shack, it is going to get rid of that union, you do not have much bargaining power at all.

When we see the obvious cases laid out, as they have been laid out, and this ministry not acting on them in spite of pleas in the House, the ministry is going to be asking for trouble and it is not going to earn respect either for its actions or its words. When I was organizing I was proud to quote to workers that preamble I have quoted so many times in the Labour Relations Act. I think it is now becoming meaningless, and that is my concern.

Last year I indicated how disturbing I found the comments of Mr. John Keenan of Noranda Mines. He said: "Management's bargaining agenda, now that we are over the phase of controls, will include measures to create improved efficiency and lower costs. Companies will seek greater flexibility in the use of the work force and there will be increased use of part-time employees, a gradual elimination of cost-of-living clauses, a cap on company contributions to pension plans and a reduction in unproductive time."

In view of the events of the last year, the minister will begin to understand my concerns—our concerns, if you like—and the concerns of my party. I could say I told you so. I could certainly point out events that are effectively underlining

the very issues I warned about in the estimates a year ago. How much more does this minister and government need to have happen before they will admit to the very right-wing assault on workers and what they have been able to achieve through difficult and sustained advocacy and collective bargaining?

Last year during estimates the minister opened his remarks by outlining his principal obligations. Let me repeat what the minister said. I take this as the starting point for my leadoff. The minister stated, "First, I have an obligation to sustain, consider and enhance policies and programs that will improve the condition of the working men and women of Ontario, approximately 4.5 million, comprising about 38 per cent of Canada's labour force."

The minister will remember making those remarks at the beginning last year. Nowhere is that obligation more important than in the case of layoffs, plant closings and the whole issue of insolvency at which we have been hammering away for years as well. Later I want to talk about his response to plant closings. Now I want to focus on severance pay and the legislation the minister could introduce to provide greater protection to discarded employees.

11:50 a.m.

If I can stop for a minute, we are underlining the remarks of the minister because of the continuing difficulties we have in terms of laid-off older workers, young workers and what happens to employees in layoffs. I have repeated it many times and I will not go into it again. The minister knows the vast majority of those who still have jobs are working at considerably lower wages. An example is Consolidated Bathurst. I have not had a chance this year to do a second-year updating on that.

These older laid-off workers are people in the last five or 10 years of their working life. Many of them did use up a substantial part of their savings before they got into another job. The security they thought they had built up with their 20-odd years of working for that company is down the drain. That is part of the kinds of things we are talking about when we say that the minister's responsibility to workers includes showing a concern for these people.

In 1981, some 147,000 men and women in Ontario lost their jobs. In 1982 and 1983, the number soared to 286,000 and 313,000 respectively. In the first eight months of 1984, 270,000 men and women in Ontario lost their jobs. We are suffering an epidemic of rather horrible proportions. A total of 8,009 men and women received

severance pay from 1981 to 1983. Approximately one per cent of those whose jobs were lost. I know the legislation was not drafted to cover them all, but I think it is important to lay those figures out on the table to give some indication of what we are or are not—I underline are not—doing for these workers.

The vast majority of laid-off Ontario workers are not protected by the severance pay provision of the Employment Standards Act. Even those who are entitled have only a one-in-three likelihood of ever getting the money they are owed.

Severance pay is required under section 40 of the Employment Standards Act for employees where all of the following conditions are met: (a) the employment of 50 or more employees is terminated within a six-month period; (b) such termination is caused by the permanent discontinuance of all or part of the employer's business at an establishment; and (c) the terminated employee has five or more years of service. Where these conditions are met, subject to a variety of additional limits, exemptions and restrictions, a terminated employee is entitled to one week's wages per year of service up to a maximum of 26 weeks.

As an example, let me take the last point, the five or more years of service before a person qualifies. At present in Ontario, more than half of those people who are employed have been in their jobs for less than five years. I could add that the information we are getting in terms of the increasing use of new technology and what is going to happen to the industrial work force in particular, let alone the financial institutions, indicates we are heading for a period of more and more career and job turnovers. The fact that over half of the people in Ontario have not been in their jobs for five years is a situation that is likely to increase, not decrease.

Right away, as it stands now, the legislation excludes half of the population from receiving severance pay. Indeed, when one adds it up, less than four per cent of workers who lost their jobs or were laid off in 1981 and 1982 were eligible for severance pay. In 1983, the figure had dropped to two per cent. However, eligibility means very little.

Last year less than one third of those entitled to severance pay received any money. Of those who were entitled, less than one third received any money. In 1982, the best year for payment of severance pay, less than half of those owed severance pay ever got their money. Because of the appalling lack of coverage under the act, less

than one per cent of workers laid off in Ontario ever get their severance pay. In 1983, 2,046 out of an estimated 313,000 workers received severance pay.

New Democratic Party members opposed Bill 95 because its narrow definition of eligibility penalized workers facing job loss and prevented their receiving the severance pay they deserved. In particular, we opposed the restriction of severance pay entitlement to workers with five or more years of service and the restriction of severance pay provision to permanent layoffs affecting 50 or more workers at a time.

In April, 1982, I introduced a private member's bill to require the payment of severance pay where (a) the employment of an employee with one or more years service is terminated; and (b) the termination is caused by the permanent discontinuance or reduction of all or part of the business of the employer at an establishment. Unfortunately, government members did not allow this bill to go anywhere.

Once again, during the estimates last year, the minister voiced his concern about insolvencies. He said, "The seriousness with which the government views the severance pay problem, along with the other problems of wage collection in insolvencies has, as the honourable members know, been demonstrated by the appointment of Mr. Don Brown."

When the minister first announced the appointment in June 1983, he concluded by saying, "It is expected that he, Mr. Brown, will report on these topics before the end of the year." That was 18 months ago. Then in a letter to Laurell Ritchie, executive vice-president of the Canadian Textile and Chemical Union, dated July 23, 1984, the minister attached a copy of an interim report dated December, 1983. Up to the date of that letter to Ms. Ritchie, there had been 3,221 business bankruptcies.

On October 15, 1984, in answer to a question by my leader on the Brown inquiry, the minister said: "We were hoping to have something concrete in the not too distant future." To use his own words, we understand the seriousness with which he takes the issue. He simply has not acted.

Minister, let me put to you a series of direct questions. On severance pay, are you prepared to amend the act to remove the five-year service requirement? Are you prepared to remove the 50-employee limit? It is still probably not going to hit a very large percentage of those who should be entitled. I think these are legitimate questions

in view of the absolutely ludicrous performance of this legislation to date.

On the Brown inquiry, I have a number of specific questions.

1. Mr. Brown's interim report says the commission's economic research was completed as of December 1983. Where is it and will the minister table that for the use of the members of the House?

2. The report recommends that its program of legal research continue. Is that research completed and will the minister table it?

3. Why has the interim report never been tabled? Will the minister do so?

4. What has the commission cost and what is Mr. Brown being paid?

5. When is it expected that the report will be completed? Will it be tabled then?

6. Will the minister kindly elaborate on his comment concerning legislative reform to deal with the problems that prompted Mr. Brown's appointment and will that still continue?

During estimates last year the minister said that to meet the new challenges within the economy, and I quote again, "We will require new levels of co-operation and understanding among labour, management and government."

Just as his colleagues have done, the minister has talked a lot about the new partnership. Forgive our cynicism about it, but scarcely a day goes by when we do not hear someone in government or the corporate sector talking about the need to usher in a new era of labour-management relations and create a new partnership between labour, business and government.

Let me emphasize one point. I do not know of any of us—maybe a handful of radicals at best—who do not support a new age of labour-management relations. In Ontario we desperately need a new partnership. However, what we do not need is 19th century management practices masquerading as the 21st century's new era, and we do not need to return to a time when corporations and government relied on coercion, anti-labour laws and fear to secure the subordination of workers.

That seems precisely what we are starting to get in situation after situation around the province and, unfortunately, the times seem to be right for it. When management talks about a new partnership, it usually ends up meaning more for it and less for workers, or at least it means a new, leaner and meaner economic position for management and the ability to survive. When government talks about a new labour-management consensus, it usually means takeaways

from labour and giveaways to corporations. Let me be specific.

12 noon

What is the new partnership on pensions? My colleague raised it just briefly in his comments. In Ontario one out of every two workers does not even have a company pension. As I recall, if I might stop for just a moment, back in 1979 or 1980 I moved a very minor resolution as a private member in the House that was debated and passed, if I recall correctly, that called for five-year vesting, some kind of portability and a central investment agency so that workers at the jobs that are going to be turning over could put their money into it.

We followed that with a select committee of this House on pensions, which made somewhat the same recommendations and others but did not touch the basic problem of the Canada pension. Given the times today, that is almost a no-no, although I think it makes more sense than anything else we could do.

However, even in terms of the most basic reforms in the private pension area, we have seen nothing. It looked as if—and we were not into the recession yet back in 1979 and 1980—that this government was ready to move in a small way in pushing those reforms in the private pension area. Even some of the insurance people admitted before our select committee that they had been a little slow to catch up with the times and that there was reform needed and that it was coming.

It is now almost the end of 1984. When is it coming and what are we going to get? When we talk about the new partnership on pensions, we are nevertheless aware that one out of two people do not have a company pension. Those who do can expect a retirement income which will be much less than half of their preretirement earnings.

I am sure the minister is well aware of the ripoff of workers' pensions at CCM in Toronto. CCM went bankrupt. However, it was found out later that CCM had not been making its contributions to the company pension plan. Workers who were counting on their pensions were left benefits 60 per cent less than they had expected.

Then there is the other half we constantly see—and we know we are dealing with about two per cent of the population—of management pensions. When Charles Bronfman of Seagram's retires, he is going to get \$720,000 a year in pension. There was quite a bit in the press about

that at the time. The head of Northern Telecom will get \$774,000, more than \$2,000 a day.

How can we deal seriously with the clamouring about a new era in labour-management relations when there are so clearly two different Ontarios and two different Canadas, one in which workers live and quite another world in which management lives?

Item 2, what I see as takeaways from labour and giveaways to corporations, is job security. Where is the new partnership that we talk about on job security? All of us know the corporate buzzwords so frequently relied on by the Ministry of Labour—consolidation, rationalization, international competitiveness.

I guess international competitiveness is what we hear most of all. When we took the phrase "leaner and meaner" it was not one we invented. It came from a management group with which we had met ourselves. Whenever we hear it, it seems to me, layoffs are not far behind.

In cities across this province, the buzzwords have left thousands of workers on the street. In the last month alone in Ontario more than 3,000 workers have been dumped from the payrolls of corporations. I think it is considerably higher than 3,000, actually.

On September 19, Alcan Canada, in a move to restructure its aluminum extrusion operations, gave the pink slip to 485 workers in Kingston. On September 28, Wabasso, in a move to reorganize its holdings, announced the closing of its Welland mill, leaving 490 workers without jobs.

On October 1, Black and Decker, in a move to consolidate its holdings, announced it was closing its Barrie plant and it was showing the door to 550 workers. On October 2, Burns Food announced it was closing its Kitchener plant and more than 600 workers would be on the street. On Friday, November 16, Stelco announced the closing of its Griffith mine in Ear Falls, wiping out the jobs of almost 300 workers.

I could go into detail on each of these closings. but to save time, let me focus for just a minute—and I hope my remarks will be a little different than those of my Liberal colleague—on the Black and Decker situation.

I attended the press conference yesterday morning after having met some of the workers at Black and Decker earlier. I think the press release they issued underlines some of the points I have been trying to make this morning.

They simply say in their press release that they issued yesterday: "Later this morning representatives from the United Electrical, Radio and Machine Workers in Canada will be meeting

with officials from Sinclair Stevens' office. The purpose is to present them with the information concerning the ruling by the Foreign Investment Review Agency that the decision by Black and Decker Canada to close its Barrie, Ontario, plant does not violate the agreement which FIRA approved allowing the sale of that plant by Canadian General Electric to Black and Decker Canada, April 27, 1984.

"The union is asking that the federal cabinet re-examine that decision in light of the union's charge that it was based on inaccurate information.

"It is our contention that FIRA was not provided with correct information as to the 1984 level of production in the plant nor with the accurate number of jobs that would be lost as a result of the closure and relocation of operations in Brockville, Ontario.

"According to information made available by Black and Decker Canada to selected politicians prior to the announcement of the planned closure on October 2, 1984—less than six months after having purchased the plant—the closing will not violate the undertakings and the FIRA-approved agreement 'except for those relating to employment levels in 1984 and 1985 which were subject to the achievement of sales volume targets, which targets will not be met in 1984 and most likely will not be met in 1985.'

"Black and Decker made available a projected sales shortfall, their 'actual' production levels in 1983 and their 'expected' production levels in 1984. They also alleged that the closure and relocation of production would result in the net loss of 150 jobs.

"In 1983 they claimed to have produced a total of 1,090,000 units of the seven products manufactured in the Barrie plant. By their own admission, 1983 was a highly profitable year for the Barrie operation."

Actually, return on investment, I think, was 15.2 per cent.

"Yet, according to the company's own production figures as of September 1984, their total production in Barrie for 1984 is to exceed 1983. They project a volume of 1,098,000 units.

"These figures raise serious questions about the impression given FIRA and politicians prior to the public closure announcement."

We remind the minister of our constant argument for some kind of public disclosure information before plant closures. It might have been very useful in this particular case.

"Furthermore, Black and Decker have claimed in the documentation to politicians before the

closure that 151 jobs would be lost. Again the numbers are wrong.

"Black and Decker claimed that there were only"—and the minister must be, by now, aware of this—"328 hourly rated jobs in Barrie when there are 450." There have been as many as 600, but there were 450. "Added to the 165 salaried jobs, the total Barrie work force is 609—not the 493 claimed by Black and Decker. Furthermore, they claimed that there are 783 employees in Brockville when there are actually 934. The current work force of Black and Decker is almost 1,550."

"They project that, after closure of the Barrie plant and integration of operations in Brockville, the work force will be 1,125. This means that more than 400 jobs will be lost, not the 150 claimed." They claimed 150 would be lost when they were arguing the case with FIRA, the Foreign Investment Review Agency.

"It is essential that the minister responsible for FIRA order an investigation of the original sales agreement and the opinion by FIRA that the Barrie plant closure did not violate that agreement.

"It is our contention that the agreement was violated and that Black and Decker should be made to comply with the commitments made at the time of sale. The Barrie plant is a profitable operation, with a return on investment in 1983 of 15 per cent"—it is actually 15.2 per cent—"and an after-tax profit of over \$4 million."

They go on with a plea that everything possible should be done to hang on to those jobs.

When you take a look at the information they were able to present to the press, you get an indication of how questions need to be asked about the figures. They list production in 1983 of the seven products—at one time, as the minister knows, they used to have 27 household product lines there; 20 of which are either discontinued now or have been shifted offshore.

I will predict in the next year or two no more than two or three of these seven products will be produced in the Brockville plant. There is only a slight overlap on two of them now and they are going to have to put a major addition on to the Brockville plant to produce any of these items.

I will predict that, as is happening in product after product in Ontario, these items will be produced offshore within the next year or two. It is a problem, both in terms of imports and our balance of payment. It is a problem in terms of the jobs and in terms of our ability to provide basic materials people use in Ontario.

It is part of a concern that should be starting to grow; concern about whether we are facing some level of deindustrialization in Ontario.

In the case of drip coffee makers, they show 140,000 units produced in 1983 and only 108,000 are to be produced in 1984. On that, they are right on, based on current production and current orders that are there.

On toasters, they show 66,000 units were produced in 1983 and 63,000 are to be produced in 1984. Their production is likely to be 65,000, based on current production and orders that are there. So they are close, but will manufacture about 2,000 more than they had predicted.

In the case of toaster ovens, 250,000 were produced last year and 187,000 are to be produced in 1984. The expected production figure for toaster ovens seems to be right on.

12:10 p.m.

As for kettles, 231,000 were produced last year and 105,000 are to be produced in 1984. In fact, the production is going to be 116,000. That is 11,000 more than they had predicted.

Skillets: 247,000 produced last year; predicted 336,000—and this is the big success story; it is thought that will go up to 500,000 in the next two years, as the minister knows. In fact, their production is likely to be 371,000, about 5,000 higher than the figures they used in the FIRA deal.

Heaters: 86,000 in 1983; they predicted 52,000. The figure is likely to be 65,000.

Lawnmowers: 70,000 last year; 74,000 predicted. Production actually was 186,000, two and a half times what they predicted, and we understand from the workers an order for another 25,000 units was received last week.

We can get into the work force figures as well, which were not correct, but the point I am making is they were not right in the prediction levels either. If they made a good profit in 1983, they even have an increase this year, not a decrease in production. What in blazes is going on?

They also say they are only operating at something like 40 per cent of their annual capacity. The workers tell us the annual capacity listed by the company—which would be 23,000 units—is totally inaccurate; they could meet that in almost none of those units. In fact, they are at something like 80 per cent of capacity now.

Whether they are totally right or not, what I am saying is that there are a hell of a lot of questions that need to be answered. I am sure Hon. Mr. Miller, Minister of Industry and Trade, was

aware. I know that when FIRA makes a decision it is communicated to the minister in Ontario.

I do not have a lot of faith in FIRA as it is, but it is about the only agency we have in this country. I also know many Tories would like to see it done away with, but I know if there had been an objection by the minister responsible in Ontario the sale probably would not have gone through, or at least there would likely have been more information required and more questions asked.

I think the request of the workers at Black and Decker is a legitimate one. Our figures show that Barrie is going to lose \$10 million in immediate wages. With the spinoff, which could be up to 900 workers—that is probably a little high, but it could be up to that level; 700 is a pretty safe figure—there is another \$20 million loss. Our figures show a potential loss in wages to that community of about \$30 million.

That is a major blow. Black and Decker is the second largest industry in that town. Apart from the immediate concern of the workers and apart from the fact that the Brockville plant has very little overlap on any of these seven items—and they will probably have to put an addition on the plant to produce them—my concern is that this is part and parcel of a pattern.

Some 20 products have been shifted out of this Barrie plant over the last few years, and I am telling you now I am predicting that we will be lucky if two or three of them are still produced in this province within the next year or two.

As you know, they even said in their release there would be some adjustment; maybe some of the Brockville lines would go. It does not really matter whether it is one of those lines or one of these lines.

I am sure you also know, Minister, that the shift is going to a nonunion plant at considerably lower wages. Even that is not going to alter the fact we are not going to find this production done here. That is my concern.

There are many examples of what is happening in this branch-plant type of economy. I wonder when we are going to start dealing with what it does to the province and its workers.

One final thing I want to say on that, Minister. I think you were a little annoyed at me in the House—I expect that; it does not bother me, although I do not like getting someone annoyed with me on a personal basis—when I said I do not think your questioning is good enough or tough enough at the meetings we have with these companies. I think I was correct when I said that most of the hard questions asked at the time, certainly in the Consolidated-Bathurst case,

came from me and Ms. Copps, who was also at the meeting, the mayor of the city of Hamilton or the regional chairman.

I have repeated many times the absolutely sick comments we got from the head of the container division of that corporation, when we asked about the workers' rights to try and get involved. They said they were not going to give the competition an edge.

The analogy used then still throws me: Imperial Oil would not sell a choice corner lot to Texaco, so why should they have the competition?

Also, there was the comment that, when they were selling the unit—which we did not know until the meeting in your office—they would not recommend any of the employees to Reid Packaging. Because they would not appreciate anyone telling them whom to hire, they would not tell anybody else who to hire.

That kind of mentality and attitude concerns me. That is simply saying that those workers, who had given their lives to that company, are a marketplace commodity and nothing else. That seems to be part and parcel of this trend or this concern we should all have for what is happening in our economy today.

The minister has sent me a letter—I will not read it—that in effect says to me he does not see his role as being that of the interrogator, or whatever, but rather to try to get information from the company, to sit down and allow the questions to be asked, whether it is by the union or, in this case, by the opposition critics, where they have been invited.

He states how difficult the meeting is. I think he makes some comment about—

Hon. Mr. Ramsay: A point of order. That letter is being read out of context, Mr. Mackenzie. Either read the whole letter, or—

Mr. Mackenzie: I will, then, because I think I want to go back to the answers in the House, in the estimates:

“During the emergency debate on Tuesday, comments were made by you and your colleagues questioning the value of meetings I attempted to hold with interested parties in respect to plant closures. Comments were also made concerning the ‘soft’ questioning by I and my officials at the meeting you attended in respect to Consolidated Bathurst. Further comments were made about going to the companies with ‘hat in hand,’ ‘on bended knee,’ etc.”

I am not sure if that was my comment. I do not think it was. Certainly the “soft questioning” was

mine, but I know other members of the House were in on this.

"It is not my intention to quarrel with opinions expressed during debates. Obviously it is your perception, and I respect your right to speak out accordingly. In light of those comments, however, I thought it would be prudent to advise you, in advance of the Black and Decker meeting on November 30, that I see my role at that time as I did at the Consolidated Bathurst meeting. As chairman it will be my responsibility to assure that everyone in attendance has their questions answered and an opportunity to make their points, and to mediate where necessary."

We will come back to that, because that is the basis of my real anger at the moment.

"What you are probably not aware of is that in most cases, these meetings are requested by union officials who are having great difficulty in communicating with the companies. Without exception, I have been successful in setting up meetings of this nature, although on some occasions, including Consolidated Bathurst, it is with considerable difficulty. In the case of Black and Decker, it has also not been easy to arrange the meeting and at this writing there is a danger of it falling apart (please see attached).

"Whenever I have had difficulty in getting information that I need from the companies, I have followed up on a personal basis and almost without exception have been successful and, therefore, I do not see the necessity of interrogating either the company or the union at these meetings, meetings that have been called expressly for the purpose of providing an opportunity for the union and the local politicians to have their questions and concerns responded to by persons in a position to speak openly for the company.

"I will continue to provide this service, and will continue to involve, where possible, representatives of the opposition parties. It will be up to the representatives of the opposition parties to decide whether the meetings are worth while and whether there is merit or not in attending.

"Meanwhile, I would advise that I have asked the union at Black and Decker to provide me with a list of questions prior to the meeting so that these can be given to the company officials well in advance, so they will not be able to use the excuse that 'further research is required' or that 'they will have to follow up and get back', etc. The union incidentally feels that this is an excellent idea."

That is not the impression I got from the union, Minister. I might also say they did not ask for this

particular meeting, and until you mentioned in the House that you were going to have it, they did not know anything about it. They were on the phone to us almost immediately saying, "Hey, get us the actual comments of the minister in the House," and, "How do we get involved?"

Even more important—if I can find it here quickly—in the House: "I share the concern of the leader of the third party," is Mr. Ramsay's response to the question raised by my leader.

"The union officials have referred to some documents from the United States. Meanwhile, a number of weeks ago and since then, the senior officials of the Canadian company have provided me with completely opposite information. I do not believe this is the time and place to debate who is right and who is wrong, because I am sure that there is a measure of justification in both positions."

The minister goes on to say that he is setting up, "at the present time, a meeting with the senior American officials of this company." I could go on, but I do not think it deals with that any more.

"In response to the supplementaries, I will repeat what I indicated earlier: I am not comfortable with the information that is coming forward and I want to get more clarification of it. I want to get clarification of it from the company, with the other interested parties."

12:20 p.m.

I do not know what the minister took out of it or what was taken out of it in the House. We took out of it that, for once, obviously something was wrong here. You wanted some questions asked of the company. Now in my letter you are telling me you do not see your role as asking them, you see it as chairman, mediator or what have you.

I do not think that is your role in this case, and I do not think the union wanted to give you specific questions in advance. They may have. I doubt it. The opposition members sitting in at that meeting are not going to carry a lot of weight. No one has to tell me that. The minister and the government in this province certainly could and do carry some weight.

Were you calling them in to ask why these things are the way they appear, or were you sitting in to defuse the situation and allow us to hear what the company had to say or allow us to ask a few questions, so you could say you at least arranged the meeting?

Inasmuch as we have different figures than those submitted to FIRA, as it now appears is the case, if you had advance notice it would be very simple to have answers for or fudge those particular questions at the meeting. That is why I

do not think they should necessarily have been submitted by the union in advance.

You understand why I see some little variance in the letter you sent me and what we thought you said in the House.

Hon. Mr. Ramsay: Mr. Chairman, do I have an opportunity to respond to that?

Mr. Chairman: Do you have a point of order?

Hon. Mr. Ramsay: First, if you read the press release that was attached, you will see that the union, I believe, has taken credit for that meeting being set up.

Mr. Mackenzie: Let me read their press release. I am not sure that that is what I would see in it.

Hon. Mr. Ramsay: The second paragraph?

Mr. Mackenzie: Yes. "The United Electrical, Radio and Machine Workers of Canada were pleased to learn that Ontario's Minister of Labour, Russell Ramsay, had succeeded in setting up a meeting on November 30, with senior American and Canadian officials of Black and Decker, to question them about the plans to close their Barrie plant, and the resulting loss of 600 jobs. The meeting, called on the union's initiative"—

Hon. Mr. Ramsay: Yes, that is the one.

Mr. Mackenzie:—"is to include personnel from the ministry"—

Mr. Gillies: Bob, you just said they did not know about the meeting until—

Mr. Mackenzie: When the question was raised in the House, they did not. They were on the phone within minutes to us asking what the minister said.

Hon. Mr. Ramsay: But I had received—

Mr. Mackenzie: I think we should read the rest of it into the record, too.

Hon. Mr. Ramsay: Go ahead.

Mr. Samis: That was supposed to be a point of order, and we have not talked about order at all.

Mr. Mackenzie: "The union has been advised that Black and Decker is trying to specify which union representatives may attend. 'This is unacceptable,' said United Electrical, Radio and Machine Workers of America vice-president William Woodbeck. 'Each party has the right to decide whom to bring to this informational meeting.' Attending on behalf of the union will be three officers of the Barrie Local 545, and the union's national president, vice-president and research director.

"We trust the company will likewise bring a full delegation able to answer the questions of the minister"—certainly they had the same impression—"who stated in the Legislature yesterday that he was frankly not satisfied with the information and explanations originally provided by the Black and Decker officials," Woodbeck added. 'The union has set no conditions on this meeting. If Black and Decker wants to meet, it will withdraw its attempt to dictate the composition of our delegation. Regardless of the company's action, the union will be at the meeting and we trust that Black and Decker will be there too.'"

I know that, since then, while they did not feel they should be jerked around, if you like, they have told the minister they would settle with four not six of their people there. I do not know what the company's position is.

I do not know what the danger is of the meeting falling through, but clearly I see—and I would like to have an assurance from the minister, though I do not know I am going to get it—the intent was that he also was unhappy and was going to go after some questions from the company, at that meeting.

Hon. Mr. Ramsay: All right, let us go back. First, the meeting is on. At my urging, the company has agreed to the four members of the union, and that has been established as of this morning.

Because of these meetings, I have not had a chance to relay that information to Mr. Turk, but I intend to do that during the recess. There have been problems trying to keep the meeting on the rails, but we have managed. There has been some good-faith bargaining in that respect, by Mr. Turk and by Mr. Lyons. They both have been extremely co-operative and I want to pay tribute to them in that case. So the meeting is on.

When I first spoke to Mr. Woodbeck, after he called me from the Ontario Federation of Labour convention when he heard of my statement in the House, I suggested to him it might be a good idea to let me have some questions in advance so we would not give the company an opportunity to slough off inquiries at the time of the meeting by simply saying they had to do some research or whatever.

I thought that was a positive step in favour of the union, so do not try to read something else into it, please, Mr. Mackenzie. I was thinking in terms of the best interests of the union, and Mr. Woodbeck did not disagree with me on the phone at that time.

Since then I have heard from the member for Simcoe Centre (Mr. G. W. Taylor). Mr. George Taylor advised me in the Legislature yesterday that the union might not do that. When I talk to Mr. Turk this afternoon, at the earliest opportunity, I am going to discuss it with him once again.

With regard to my role at that meeting, I was referring to my role at the meeting, not my role, period. My role, period, is to get out of the company all the information I possibly can. I am doing that. Later today, or more likely tomorrow, I am getting a parcel delivered to me, with the answers to a lot of questions.

What I was attempting to say in that letter—obviously I did not say it too well and I apologize for that—is my role at the meeting is to permit persons like yourself, like the four representatives from the union, like the mayor, like Mr. Taylor, like Mr. Mancini, or whoever his representative might be, to ask those questions, because I have the opportunity to ask those questions each and every day. All I have to do is pick up the telephone, ask someone to come in, and I have always had that courtesy extended to me.

My reference is only to my role at the meeting when the others are in attendance. I stress I have never had any problem in getting the questions I have asked answered. At that meeting I do not think I should be out there leading the parade, because I have other opportunities to get my questions answered. I think my role is to permit you and the other interested people to get the questions answered, to maintain a note of civility at the meeting, which I am sure there will be, and to make sure everyone gets an opportunity to state their position, state their concerns, ask their questions, and get the questions answered.

I think you have misinterpreted—and I am sure you have not done it deliberately—my role at the meeting and my normal role each and every day in dealing with closures. I was referring only to the meeting.

Mr. Mackenzie: Minister—

Hon. Mr. Ramsay: I am not going to win on this, I know.

Mr. Mackenzie: No, I am sorry to have to say it, but what you are saying, it seems to me—and I try to guard against this, I can tell you, but it is the growing cynicism I talked about—you are saying that this meeting—and I would add that if you can get the information in any event that is what you should have done, and you should have been out front with it stating whether the information we have is totally right or totally wrong.

Hon. Mr. Ramsay: No.

Mr. Mackenzie: What you are saying is that this meeting is an exercise in public relations, trying to satisfy those who are screaming.

Hon. Mr. Ramsay: You are not being fair at all. Listen, I do not like—

Mr. Mackenzie: This is the pattern, Minister.

Hon. Mr. Ramsay: I do not like going through all of these meetings. We have already had four meetings in five days on the Griffith Mine. We have already had various meetings on Black and Decker and we will have more meetings on Black and Decker. I do not look upon these as some big treat.

I have been told that Black and Decker did not have the decency to talk to the union. All right, I am trying to correct that. I thought I was acting in your best interests and those of the union.

If you do not want me to set up those types of meetings, I will not—well, I still will; I do not care what you think, because I think the unions want me to set them up. I did that just yesterday, at 3:30 p.m., on the request of Dave Patterson, for the United Steelworkers of America, your old union. I did that with the Stelco officials, because Stelco had not met face to face with the union. That is what I am trying to do here.

I was told, from about three or four different sources, that the union was sore as hell because they had not been able to talk with the American officials. I said, okay, that is my role, I am an advocate for labour, I will try to accommodate the labour movement. I will try to get them that face-to-face meeting with the American officials.

That is what I have done, and I am sitting here being criticized for doing what I was asked to do and what you have suggested I do on other occasions. I am confused, totally confused.

Mr. Mackenzie: I am confused because we are going through this exercise on a regular basis over the last few years. We had it at Consolidated-Bathurst; we had it at Allen Industries Canada. We had it at plant after plant.

Does it not begin to get through to you that we have a problem? That is what I am saying. I think the letter from Mr. Docquier clearly indicated—

Hon. Mr. Ramsay: The problem I will accept. I have never argued that we do not have a problem. We are talking about the mechanics. You spent a half hour talking about the mechanics of the meeting.

I am giving you the benefit of the doubt because you are an honourable man. I am saying you have misconstrued my motives—not inten-

tionally, but you have misconstrued them. I have tried to straighten those out. I tried to act in your best interests, in the best interests of the labour movement. Next time around maybe I will have second thoughts.

Mr. Chairman: It is 12:30. I think it is a good time to adjourn until 2 o'clock.

The committee recessed at 12:30 p.m.

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No. G-13

Hansard

Official Report of Debates

Legislative Assembly of Ontario



Standing Committee on General Government
Estimates, Ministry of Labour

Fourth Session, 32nd Parliament
Wednesday, November 28, 1984
Afternoon Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, November 28, 1984

The committee resumed at 2:07 p.m. in committee room 1.

ESTIMATES, MINISTRY OF LABOUR (continued)

Mr. Chairman: We will call the meeting to order. Mr. Mackenzie had the floor when we recessed and I presume he would like to continue with his remarks.

Mr. Mackenzie: Mr. Chairman, I would.

This is not intended to open up the Black and Decker Canada matter any further. However, I am only halfway through the few formal notes I have and I see that when we discussed that situation I left out a few general remarks. I will just wind it up with these comments.

The minister is aware that last week three busloads of Black and Decker workers took the day off to come to Queen's Park in an attempt to save their jobs. They cannot understand what is happening to them and they really are asking for very little. They came here to ask this government to introduce an all-party resolution asking Black and Decker to reconsider its decision.

In their efforts to protect their families and community they asked us as legislators to take a moral stand. I cannot understand why this government refused. I recognize it may be an exercise in futility, but an all-party resolution was not introduced. The workers thought they were not asking for one heck of a lot in requesting that much at Queen's Park.

They raised the question of how to build a new partnership on the basis of runaway plants and plant closings. That is really what is at stake, not so much the argument we got into over the letter or anything else. This was but one more example of many.

How can we talk about a new era in labour-management relations when corporate executives—I still cannot get over the General Electric official who fantasized about a factory built on a huge ship that could be moved around the world, depending on where wages were lowest. That seems to be the kind of period we are in today.

Item 3 concerns what specifics I see as takeaways from labour and giveaways to corporations with respect to wages. What is the new partnership on wages? In a word, concessions. I

have some individual cases I want to deal with during the course of my remarks.

Executive bonuses are another matter. In recent years workers have been asked to give back benefits and take pay cuts. At the same time, the examples of executive compensation we see reported have hit the stratosphere. General Motors' Roger Smith was paid \$1.5 million last year. Lee Iacocca at Chrysler—I do not know what one individual is worth but when he pulled in \$2.6 million it was a pretty tidy sum.

As the companies tell it, the pay levels reflect the economy's robust recovery from recession and are a reward for executives for a job well done. That is a comfort to the tens of thousands of laidoff workers. That is not a new partnership. That is the old partnership where workers were subjected to the whims of management.

We talk about levels of communication and understanding. We have to talk about things such as Radio Shack, which I spent some time on, and other examples where workers are getting hurt.

In item 4, under specifics of what I see as takeaways from labour and giveaways to corporations, is the effect on workers of plant closings. I want to know where the new partnership is at a time a plant is closing down. I want to know why we are not prepared to increase the notice period for layoffs and plant closings. We have asked for longer periods of time. This might interfere with the business community.

Are we prepared to require companies to publicly justify their decisions to close plants? I submit there would have been a heck of a lot harder look taken at the Black and Decker situation if they had to answer some of the questions that have been raised here today.

Are companies to be forced to open their books for inspection? I do not think it is uncalled for with respect to workers. They may be giving up their entire life and job and retirement.

Are we going to require companies to retrain laidoff workers at their expense? Maybe it is time we looked at this and at some of the offsetting costs when companies are allowed to lay workers off for the purposes of rationalization or because of a meaner and leaner situation in the face of world trade today.

Are we prepared to introduce, as we have called for, a work futures treasury fund, or a fund

set up to look after workers and to allow communities to consider investment? Are we prepared to introduce a community adjustment fund?

For some reason, the suggestions we keep making seem unworkable, wild, way out and radical. We do not see any other suggestions being made and we see one group in particular constantly getting shafted, and that is the workers.

I anticipated some of the minister's remarks would be somewhat optimistic. I expected him to observe that the rate of unemployment is lower now than it was last year and lower than it was during the recession. While that is encouraging, one would expect unemployment to be lower during a recovery phase, it is also somewhat misleading and that is what I want to point out.

All too often, the government is caught up in the month-to-month changes in unemployment. If unemployment drops, the government takes credit; if unemployment increases, the government remains silent. I will be honest: the opposition makes it known; tour role. If we step back from the month-to-month changes and view what is happening in the economy from a longer, historical perspective, a disturbing trend is revealed.

Very simply stated, since the Second World War the trend of unemployment has been upward. More specifically, there are two aspects of that trend that need to be emphasized. First, in each successive economic decline, the rate of unemployment has been higher than in the preceding decline.

Second, when the economy retained a high level of activity, the rate of unemployment has failed to come back to the low point achieved in the previous period of expansion. If you do some charting and look at it, you will find how accurate that is.

I think there are some dangerous and long-term lessons we should be looking at there. The government's present optimism has to be situated against this kind of a background. Neither the minister nor anyone in the Tory cabinet has policies or programs to deal with rising structural joblessness. I want to return to that point later.

For now, I would like to point out some of the other dimensions of the current unemployment situation that offset the slight reductions we have seen in the last two years of recovery. The first has to do with the duration of unemployment.

At present, the average duration of unemployment in Ontario is 17.6 weeks. In fact, for those

over 45 years of age, the current duration is 27 weeks, or 53 per cent higher than the average.

Further, about 22 per cent of those unemployed have been unemployed for over one year. At present, we have about 380,000 without work. If we add to that the 198,000 who have given up looking, the number jumps to 578,000 or thereabouts. That is an intolerable level of unemployment.

Furthermore, most of the flow into unemployment is of workers who have lost their jobs. The government may want to explain the levels of unemployment on the demographics of the labour force, but the fact remains, 52 per cent of those unemployed have lost their jobs or were laid off.

One last point: at present there are more than 15,000 people exhausting their unemployment insurance benefits every month. In the next six months more than 92,000 workers will exhaust their benefits.

If I can summarize, Minister, from our point of view, and I do not think it is out of line: one, unemployment is trending upward and each recession is worse and every recovery is less effective than the previous one; two, layoffs account for the bulk of unemployment; three, older workers have greater difficulty finding new jobs and are unemployed longer than younger workers; four, thousands of people are losing their entitlement to unemployment insurance benefits every month.

The question arising from these observations is straightforward: how is the Minister of Labour and this government responding?

The answer is just as straightforward: I do not think you are.

Last year, when the government was implementing the Canada-Ontario employment development program, the minister, in his opening remarks to estimates, talked about one of the ostensible benefits of COED as follows:

"At the end of this period, COED workers will not be forced on to welfare as they might have been in the absence of the program. Instead, they will have qualified for unemployment insurance benefits to sustain them while they carry on their job search."

This year, the minister cannot even offer such short-term protection to the 15,000 who exhaust their unemployment insurance benefits every month and will find themselves at the doors of welfare offices or soup kitchens. If the minister cannot even provide short-term protection, it is clear he cannot offer long-term hope.

Last year during estimates the minister made the point on page 224 of his opening statement that "longer-term policies must be geared to full employment."

At the last first ministers' conference in August of this year, Premier Davis argued that "it is time for this nation to reaffirm its commitment to full employment."

Where is the commitment? What are the longer-term policies? They do not exist. There is a way to establish those policies and give what is a verbal commitment legislative authority.

Before I go into it, I would just add, Minister, that we have been holding a series of meetings in Hamilton. We met with a number of representatives of heavy industry about three weeks ago. Last weekend we met with 21 or 22 representatives of smaller business and industry. In the morning and afternoon we met with nine people who represented nine different retail establishments. We have further meetings coming up this weekend.

We discussed the variety of housing programs with the construction people, but with some of the small business people it was the various federal and provincial employment schemes and initiatives.

Do you know what came through loud and clear at those meetings? I was surprised because I was not sure it would come through this way. There was a feeling the programs—whether the myriad of programs we had for housing or those for unemployment or youth—were not of much use. We were given examples of businesses having to build up a \$3,000 deficit before they could collect money for someone they hired under one of the programs. Two different businesses raised this with us.

Almost without exception, the business people had problems with interest and the availability of capital from the banks. All of the smaller businesses were having trouble with availability of capital. Give them some rules to operate under and time to get to know the rules. Forget the myriad of youth employment and other Band-Aid programs.

I am not sure they are not right; that we are not looking at the real problem and the real way of dealing with unemployment.

Four years ago we introduced a full employment act that, if it had passed, would have been a step in the right direction. You people told us we were nuts and refused to support it. We argued for reduced working time as one way of sharing work more equitably in our society. It is another solution you have refused even to consider.

A reasonable goal would be to announce your government's intentions to reduce unemployment by maybe two percentage points a year. That would be an achievable goal. It would give substance to your verbal commitment.

Minister, if you do nothing but hope for full employment, our argument is that simply is not going to happen.

2:20 p.m.

I want to digress once again for just a moment. I know the ministry people have taken a look at many of these things. One of the many task forces produced is the one on the future of work. I cannot help but be impressed, but also disturbed, at the information we were picking up across the province, because I think it deals directly with your ministry and this government and the question I think should be foremost in your mind, which concerns jobs and work and security.

Everybody we talked to—I am not talking now about New Democrats; as I mentioned in the House, I am referring to the round table of some 11 professors at Waterloo. We sat down with them and also had a very interesting session with Dr. Frosst from the centre for technology at McMaster on some of the things they were doing and how they saved and protected companies and jobs.

However, every single person indicated the answer for future employment was not in the new technology, and that people were crazy if they thought it was. As I say, we were not saying this. These were the comments they were making. It did not mean we did not have to go that route and that it was not important.

I know this government. I have heard arguments in the House in which it says some companies and corporations are not putting some of the new technology available in place on the shop floor fast enough. However, if we did take advantage—we were given figures by the people at Waterloo; I think it was the first case that really brought it to our attention. They said, "Hey, that 22 to 24 per cent of our people involved in manufacturing could be as little as eight to 12 per cent within the next 10 years." One or two of them quoted the year 1992. It stuck in my mind at the time.

Then we had a session with Dr. Frosst at McMaster. He explained a couple of prototype parts they had been able to develop very quickly that had saved orders. One was at a small Canadian automotive plant. The other one involved an aircraft plant. I raised this information that was given in the course of our hearings on the future of work and on new technology. I

asked him whether he thought there was any merit at all in the argument that we could be down to 10 or 12 per cent of our population, in terms of employment in manufacturing, within 10 or 11 years.

What he said was: "Nobody can tell you for sure. Everybody is taking a look at the figures. We really do not know." You know the past has seen service trades and public sector work pick up a lot of that, and the latter is now under fire, as the minister knows. The whole food industry was mentioned; I guess the McDonald's syndrome has picked up some of that. Nobody could really tell.

What stuck in my mind was Dr. Frosst's comment that in some of his circles it was not 10 to 12 per cent; it was as low as six to eight per cent. Whether they are right, wrong or only half right, we are looking at the potential loss of hundreds of thousands of additional manufacturing jobs, never mind the other areas of concern.

What are we really doing? We are encouraging business to put the new technology into place as fast it can. Other than the committee the minister set up recently, and has used as an answer—at least, some of the government members have. I know Bob White is on it, and I am not knocking what they have done.

However, what have we spent by way of taking a look at what the future of work is going to be in this province? Are any of these figures anywhere near accurate? Should we not be concerned about what is happening to our industrial work force, let alone the other sectors of our economy? How are we responding to what may be the biggest change in employment this nation has ever seen, one which makes the Industrial Revolution look like child's play by comparison? I do not know.

When we prepared this task force report, another little thing caught my eye. I am hoping the minister can give us some answers on this; I have raised it before. Although it is an old copy I just spotted this little piece in the January-February 1984 newsletter, Microbits: "Micro-electronics usage pays off but Ontario industry slow to respond, new survey shows."

This is apparently just a partial response to the survey, but figures were quoted of 58 per cent of the companies using microelectronic technology in new products reporting sales increases. Sales growth in existing products was 56 per cent.

"Cost reductions were equally impressive." Some 83 per cent of the companies that have applied the technology reported a reduction in

labour costs. "Some 66 per cent of these users also lowered equipment and material costs."

If that is anywhere close to accurate—and it is just the beginning of the survey—it underlines and verifies, I think, the very points I have been trying to make. What does the full survey show? When are we going to decide we had better know where the hell we are going for the next little while in our economy? I want to know whether we have anything further on that.

I put these out not necessarily as the answers or as gospel; I suspect they are all part of the answer. However, we did suggest taking a look at planned overtime. If our figures are right, there are probably about 75,000 jobs involved in Ontario in planned, scheduled overtime—I am not talking about emergency work or anything else—and we know all the problems we run into with that. We talked with two groups of auto workers and we had a really good session on Monday and Tuesday of this week. This was the basis of about 15 minutes of the hour and a half my leader and I spent with them in one of our committee rooms. However, are we going to take a look at that? What is wrong with taking a look at the hours of work?

If those kinds of benefits are there, do we know what the initial, upfront costs are to industry? Sure, they have gone ahead and taken advantage of the new technology. On the other hand, once those ongoing, upfront costs are met, how does some of the advantage we already see fairly clearly in that minimal survey get spread around? We should take a look at this potential reduction of literally hundreds of thousands of additional jobs.

I do not think we are talking theory or anything like that here. What we are talking about is what is starting to happen now in a major way in this province and in this country. How are we responding? We are saying we have problems now with older workers, young people, with the development of new technology. How are we responding, and what is it going to be like just two years from now, or four years from now?

Going back for a minute, Black and Decker alone can undoubtedly ship in any of their products for a cheaper price. If I am right, within a couple of years, with all of those product lines that are shipped offshore, whatever adjustments are made we will not even have the 1,100 workers they are talking about in the Brockville plant. What are we doing to say, "Hey, we are competitive"?

One of the small business people who was at our meeting in Hamilton the other day was the

guy who is in charge of Glendale Spinning Mills, where there was a minor miracle in terms of the new equipment they put in. I think I made mention of it, either in the House or in the last set of estimates. They had been able to raise their production substantially to the point where they were competitive with Hong Kong, Taiwan—any of the Third World countries.

What he told us just last week in Hamilton was that the Third World countries were once again catching up with his plant. They had already started to make use of the equipment his plant was using—which was state-of-the-art in the world just two short years ago—with their kinds of standards, their kind of labour rates and all the rest of it.

The point is fairly obvious, Minister. There is no way we can win the battle over wage levels. They were probably faced with cutting back on employment. They told us that at the informal session we had at the Young Men's Christian Association just last week. From a position as leader of the pack a short year or two ago, they were now back to the point where they were once again being overtaken by others in this industry. It is about the only competitive thread mill we have left in Canada. That underlines the very points I am making.

At what stage in the game do we decide what the rules of the game are, and at what stage do we decide what the answers are? Is it shorter working hours? Would you consider phasing that in over a period of time? Is it longer sabbaticals? Workers are going to need retraining on a regular basis. Is it taking a look at the overtime, taking a look at more worker input in the decisions that are made on the shop floor? I have not found many workers yet, although they are worried as hell, who want to oppose the new technology.

Do we take a look at earlier retirement? We are told we are probably nuts on that. Yet, if our figures are correct, if we ended up with some 60,000 people in the heavy industrial work force, and less than half of those aged 60 to 65 who are really involved in heavy industry, if we work that at age 60 retirement and bridging, the figures would come out to, if I remember correctly, something like \$300 million involved.

That \$300 million might be more than offset by opening up those jobs. I am talking about voluntary retirement now, not compulsory.

Whether those are the figures or not, the point I am trying to make here is that we do not see any real discussion coming out of this ministry, or any real planning in all of these areas I have raised. I think they are fundamental to the future

of this province, to the future of jobs in this province and of where we are going.

2:30 p.m.

You wonder why we are concerned. Even your federal colleague, Michael Wilson, in his recent economic statement, has indicated high levels of unemployment for the rest of the decade. They may be a heck of a lot higher than they are now. If we are not prepared to act, then it would seem that our commitments to this new area of co-operation are pretty hollow.

The minister is aware of the special problems confronting laidoff older workers. You are also aware of the options you have to respond to the problem. You could have, as we urged you, introduced an early retirement option for laidoff older workers.

Older workers face a kind of catch-22 situation. Employers tell them they are too old to hire but they are too young to retire. Companies will not invest in training and retraining. It is much more difficult to get a worker who is 55 or 60 to go into training and retraining. All too often a man or woman who has worked 30 or 35 years is reduced first to unemployment benefits, then ultimately to welfare.

I guess we all have the same problem. There is enough pressure and we are so damned busy we cannot do what we want. I desperately want to get back into the Consolidated-Bathurst case to follow up on some of those 26 or 27 workers who were taking retraining when we checked them just a little more than a year after the closure of that plant. I would like to see whether the rates of those who have jobs have even come close to what they were being paid earlier.

I would like to know what happened to some of them. Clem Lobsinger, with a retarded daughter, is a good example. I visited his home a number of times when we were following through. Clem was 64. I would like to find out what has happened to his savings, which they had to use even before they qualified for municipal assistance—in other words, the nest egg they had built up. Clem Lobsinger had worked for 26 years at that same plant. I refer to it again only because I talked to individuals there, but it is the same with many of these plants.

Why do we subject workers of this age to having to use up what they had begun to accumulate for their retirement years, for their expenditures, for a little bit of driving or to do a few things they had never done before? To have these people reduced to unemployment benefits and then to welfare not only makes no sense, but it is morally wrong. It is also, I think, a black

mark on the civility of our society and on our concern for people. It is a brutal reality for thousands of older workers and it is simply unfair.

Many of these workers contributed to a pension plan for years, only to see it lost altogether when they were laid off or frozen at a ridiculously low level until they reached 65. Many spent years raising families, seeing their kids to school, paying off their mortgages. They had planned to use their last few years of work—as I have indicated—to save for retirement. When they are hit with a plant closure, that is impossible.

We have outlined a program of earlier retirement for two groups of workers. Those over 55 who have been laid off and those over 60 in heavy industry who want to take early retirement. These are voluntary programs. We laid them out. We have not seen the alternative from your side of it. Maybe you just decided there is no alternative, but I do not think we were wrong in laying those out because sooner or later this kind of debate has to develop.

Both aspects of our program are of special importance to young people; youth unemployment and pension reform are related issues. By allowing older workers to retire before 65 in a voluntary plan, thousands of jobs in the work force can be opened up. Our proposal would make early retirement available to more than 200,000 men and women over the age of 55 in Ontario.

We are used to hearing that early retirement is impossible, that it has to be left to the private sector, or it is all the responsibility of the federal government; but I submit to you, Minister, that none of these objections stand up.

Across Europe, the magic retirement age of 65 is almost no more. In fact, the normal state pensionable age is 60. In Italy it is 60 for men and 55 for women. Denmark, Belgium, Germany and Greece all have early retirement schemes. I am not necessarily holding them or their schemes up as the answer. What I am saying is that this magic age of 65 has gone by the board in many civilized countries.

In some countries early retirement is directly linked to job opportunities for young people. The government will help fund pensions when the jobs they open up are given to young people.

Mr. Haggerty: In Reagan's economics the retirement age is 70 years now.

Mr. Mackenzie: Of course, for some people the private sector solution has worked, but 60 per cent of Ontario workers do not have a company

pension plan; it is closer to 60 than it is to 50, if my figures are right. They have to rely on private savings and public pension plans. Public pension plans do not kick in until age 65. Our proposal is designed to bridge the income gap for the workers until public and private pension plans start paying out.

Nobody understands better than us that this is expensive. My God, you people let us know quick enough every time we make one of these suggestions.

The point I am raising with you is, at what stage in the game are costs like these going to be apportioned in terms of some of the benefits we can see from new technology in our society and from this "leaner and meaner" attitude—which seems to be leaner and meaner only for the corporate entity that wants to survive in the world today? When are some of those benefits going to be pressed against these costs, however we do it, and when are solutions—if these make no sense to you at all, show us your solutions—to the problems we are facing going to start coming out in the public domain for some real debate?

For the unemployed worker over 55 we propose an income supplement to provide the equivalent of Canada pension plan plus old age security up to 75 per cent of pre-layoff income. In addition to whatever he or she may receive by taking the company pension early, the supplement would end at 65 or if the worker found a new job.

The second and much larger group are those aged 60 and over who are working in heavy labour, such as construction, mining or manual labour. Many would like to retire after 30, 35 or 40 years of hard work. We propose the benefit of half the average industrial wage, or about \$10,500 per year. Again, the province would provide a supplement to the workers' company pension, if one exists.

Our proposals would be financed by a payroll tax on most Ontario employers. A one per cent payroll tax would create a fund of about \$500 million. That would cover the cost of the program, if about one third of those eligible took advantage of it, on the one program we have gone into in a little more detail. I know we were looking at about \$300 million. Obviously, it could be adjusted upward or downward to cover a greater or lesser takeup rate.

If one third took advantage, about 5,000 jobs would open up in my town of Hamilton alone. Some say early retirement is too expensive or too much of a luxury or too radical a new idea, but there is already a perverse kind of forced early

retirement in Ontario. That is the forced retirement or early retirement that sees older workers living on welfare or limited savings because they cannot get jobs. That is the kind of early retirement I think this province and government should be trying to do something about and end.

Before moving on, let me summarize this section with a number of questions I would like the minister to respond to.

First, are you prepared to introduce a full employment act in Ontario? Second, are you prepared to offer bridging support to those unemployed workers exhausting their unemployment insurance benefits? Third, are you prepared to provide an early retirement option for laidoff older workers? Fourth, will you support a move to change the Employment Standards Act to increase vacation time and reduce the working week, as they have done in so many European jurisdictions?

Once again, those questions are not intended to put a political position to you, Minister, although I do not deny for a minute they are part of our political platform. They are put to you in seriousness and legitimately, to say that at least some suggestions have been made.

I add to it: if they do not make any sense to you at all, what are your alternatives? I would dearly love to see them because that is the kind of debate I want to see opened up.

Last year, during the Ministry of Labour estimates, the minister said in his opening remarks how "the recession has required toleration of real wage losses." The minister may remember that. You went on to express your hope the recovery would change that.

On Monday of a week ago, the Report on Business had more good news for owners. In the third quarter of this year, after taxes, corporate profits were up 31 per cent over the third quarter of last year. That gain follows a second quarter gain of 73.4 per cent and a first quarter gain of 126.8 per cent. I am talking about the Report on Business and what is shown in each of the last three quarters as corporate profits.

The good news, however, does not extend to wages. In the second quarter of this year, average annual wage gains have dropped to 3.2 per cent. I do not know whether the minister's staff has informed him of that. It is the lowest increase since the federal Department of Labour started keeping records in 1967. So we have a clear, obvious and rather startling drop in wage levels which does not even keep up with the increase in the inflation rate. Clearly it is a lowering of wage

levels and yet we have seen three straight quarters of almost record corporate profit levels. **2:40 p.m.**

Are they the only ones to show gains in this? Many of them are probably still crying they are in trouble.

There is an odd discrepancy in what is happening in the community. It means that since wage gains are falling behind inflation, workers are earning less than they did before.

What the recovery has meant is that companies are increasing their share of the economic pie at the expense of workers. According to Statistics Canada, the workers' share of the national income is now the smallest it has been in a decade. I think you set that off against the other things I have raised as well, and you wonder where some of the necessary purchasing power of people is to allow consumer expenditures to stimulate the economy.

Elsewhere, I have made the case that real wage loss is not simply a product of the recession. It is clear that the recovery is not restoring workers' purchasing power, although any particular worker may be better off now than he or she was before. As I said at the beginning of this session, it is important to analyse the trends, and what is happening in the economy of this province.

I have already mentioned the trend to higher and higher unemployment, less recovery after each recession that comes along. That is one of the disturbing trends within Canadian society. It is part of what I see as a general trend to a low-wage economy.

However much of the Black and Decker business we end up with, and however much we lose out of the country, what does go goes for \$2 an hour less at the Brockville plant. It is slightly more than \$2 less, as I understand it.

There is an increase, which seems to be continuing, in the numbers of part-time workers. They see less wages and less benefits. In 30 years, the number of part-time workers has gone from four per cent to 17 per cent of our work force.

In addition to high unemployment, full-time jobs are being replaced with the part-time jobs I am talking about. There were 68,000 jobs created in Ontario between September 1981 and September 1984, but 54,000 of these were part-time jobs. This means that four out of every five new jobs, since 1981, have been part-time.

In September 1984, there were 677,000 part-time workers in Ontario. Of these, 479,000, or 70.8 per cent, were women. Of all the people working part-time, 144,000, or 21.3 per cent of

them, could only find this kind of work. It was not because that was all they wanted. The number of people in this category has increased 87 per cent since September 1981, and 74 per cent, or 107,000 of them, were women.

I do not know what more to say to underline the very point I have been trying to make as to what is happening in our province. The report of the federal Commission of Inquiry into Part-Time Work notes that the largest employers of part-time workers are retail stores. The report also noted that, excepting employers in health care and municipal government who are already paying benefits to part-time workers, "most employers' associations were totally opposed to a policy of equal benefits for part-timers." That is another fight you are up against if you try to enter that entire field.

That is part of what I mean by the switch to a low-wage economy. I think we can illustrate it with the case of Simpsons. There are dozens of examples we could use, but it stands out. I remember the meeting we had with about 200 Simpsons workers down in the basement here a matter of weeks ago. It would have done the minister good to have been there to listen to some of them talking to us.

Hon. Mr. Ramsay: I talked to them. I did not have to go down to your meeting. I talked to all sorts of them.

Mr. Mackenzie: Then it begs the question even more. That is one of the major components of what I am talking about.

Hon. Mr. Ramsay: Mr. Mackenzie, I called back on the phone personally every person who wrote me a letter.

Mr. Mackenzie: What are we doing about this situation, Minister? That is the question at issue.

It is not just your individual ministry, I understand that, although you are the Minister of Labour and responsible, I think, to some extent; but I suspect that the Treasurer (Mr. Grossman) and the Ministry of Industry and Trade are also responsible for workers and what is happening to working people in this province.

Two weeks ago, the jobs of 1,631 Simpsons workers were terminated. The company says it will hire about 800 of the full-time sales clerks back part-time.

Full-time Simpsons workers currently receive about \$12,000 to \$14,000 a year, and have such benefits as a dental plan, long-term disability and the Ontario health insurance plan. Those who return to work will make less per hour than they did as full-time workers. They will lose their

seniority. They have no guarantee of the hours per week, and no longer have benefit coverage.

The president of Simpsons, Charles MacRae, announced that the layoffs would save the company about \$20 million next year. "He also said... 'We have too many full-time people. Business dictates that if you can't save 15,000 people, you've got to get it down to 13,000. They're sacrificial lambs, if you wish.'" That was from the *Globe and Mail* of October 6, 1984.

Minister, I am not telling you—and I do not think I have told you anywhere through this, although I have been as critical as hell and will continue to be—that I think you do not have a concern. I am simply saying there is a lot more policy involved.

You and your colleagues are the government of Ontario. You won 70 seats in the last election. What are we doing about this problem I am trying to underline? Or do you or your government not really see it as a problem we are facing and will continue to face increasingly in Ontario and in this country?

Simpsons is wholly owned by the Hudson's Bay Co. The Woodbridge Co. Ltd., controlled by Kenneth Thomson, owns 73 per cent of the outstanding ordinary shares of the Hudson's Bay Co. Thomson has this to say about the layoffs—and you wonder about my cynicism: "...Sometimes steps like these are necessary. We must think of the long-term future and security of the company, and the interests of the shareholders."

I suppose you can interpret that as somewhat in the interest of the employees, but I have to say it is a second-hand interest with respect to what is happening to them.

They were at the meeting to which I referred. Some had been with the company for 33 and 34 years. I remember a couple of them talking to us in particular. I recall one, I think he had been with the company for 33 years. In his case he was told that if he took within a percentage point or two of a 25 per cent reduction in pay, which was not high to begin with, he could hang on to his job. As he told us in the meeting: "I took it. What else was I going to do at my age?"

Even though the Hudson's Bay Co. has had a loss of about \$140 million in the last two years, the company has still paid out almost \$63.6 million in dividends to its shareholders and, of that, when our research people took a look at it, it is interesting to note \$23.4 million went to the Woodbridge Co. That is almost totally, I guess, to Ken Thomson. You wonder about the double standards we are talking about that people are

beginning to see, understand and have explained to them in this province.

As I said, we met with the laid-off workers. I heard what they had to say. I also was disappointed, Minister, when your comments of July 13 were reported. It may not have been what you had intended to say, but at the time it did not help matters a lot.

The quote is: "A lot of these people are second wage-earners so it"—Simpsons' severance pay provisions—"will help. The layoff is tragic but not as tragic as other layoffs because many of the workers are second wage-earners."

I presume you heard that yourself from some to whom you talked. It certainly was not appreciated by the 100 or so who were talking to us that day. That is not the kind of response we need.

In the throne speech of this year your government announced its intention to improve benefits for certain government employees. I would remind you that in 1981 your government made exactly the same promise. But neither the throne speech nor the Board of Industrial Leadership and Development program does anything to improve benefits for hundreds of thousands of part-time workers in the private sector, such as those at Simpsons.

We have higher unemployment. We have reduced real wages. We have part-time replacing full-time work, and we have manufacturing jobs being replaced with service sector jobs. It is clear that is the fastest growing sector in our economy. The problem, however, is that service sector jobs pay much less, about \$450 a week in manufacturing jobs compared to an average of \$268 a week in the service sector.

In addition governments, once a major creator of middle-class jobs, if you like, are now eliminating them. As Lester Thurow in the States remarked, "With government, there would be fewer middle-class families."

I think transfer payments have been cut to the bone now in the health care field. However, in the name of restraint, the whole thrust of this government and its own workers is in the interest of streamlining and saving money, cutting back unemployment, and in doing what we can to reduce the number of people who are in these kinds of jobs. This is the area that has been the chief concern until now.

2:50 p.m.

As governments cut back and as more public services are privatized, these jobs are being replaced with low-income private sector jobs. As governments continue to cut back our social

wage, the package of goods and services we pay for with our taxes is also reduced.

Government cutbacks, combined with the multipronged assault being waged by Canadian business on the income and living standards of ordinary Canadians, is perhaps the most serious challenge facing working people. Clearly, the first round seems to have gone to the employers.

We have now had three years of concessions, wage freezes and cuts, legislative controls, lockouts, two-tier agreements—I want to deal with a few of those before I finish my remarks; there are recent ones as well—contracting out and nonunion labour. Employers have been given their victory in the work place. Most that I hear from want even more than what they are already getting. We see that kind of thing at Radio Shack and so on.

In the first round, these employers have lowered wages. That 3.2 per cent increase in the last quarter is a clear indication on a broad scale of what is happening. The next round—I and others are convinced—is against our living standard. It has taken decades, even generations, of hard work and sacrifice in this country to put into place the security system we have: universal health care; a chance for our kids to go to school; some measure of security in old age; and some income protection when companies decide to lay people off. Our living standard seems to be threatened. It is not something that can be cast aside or something we can never have any part of. I am very disturbed by the almost total rejection of some social rights.

The question of universality and the way we now see them sliding at it around the edges with some of the ministers appeared during the election campaign of the federal Conservative leader. Since your federal colleagues came to power in Ottawa, business and their think-tanks have renewed their efforts to get their own way. As we see it, they want to bring to this country the kinds of social programs their counterparts in Great Britain or the US have.

In Canada, there is an organized campaign which, if successful, is not going to help, but will increase fear, uncertainty, and insecurity on the job loss. On the heels of the Mulroney election there were newspaper articles, of which I read two or three with interest, which highlighted the fact that businessmen had regained their voice with the Conservatives in power in Ottawa. "The business community is prepared to come out of the closet," was one interesting comment I saw in one of the local media.

In the last month, leading up to the throne speech of November 5, there was a parade of corporations and executives to Ottawa preaching their corporate sermon. What bothers me is what the corporate community, which has supposedly just regained its voice in politics in this country, is preaching to the nation.

What is the corporate community which has just regained its voice saying? What are its remedies? Four of them struck me as summarizing everything we are talking about.

I could not believe Rowland Frazee of the Royal Bank suggested cutting social spending and maybe getting rid of the principle of universality, the fundamental democratic right of all Canadians to social benefits. That was one of the first suggestions he made. Mr. Frazee said he thought by doing that the federal deficit could be cut substantially.

That is fine for Rowland Frazee. It is fine for the Royal Bank which, by accounting magic I do not understand, had \$357 million income in 1982 and did not pay any taxes. It received a tax credit of a further \$28 million to charge against the next year's income. I do not see Frazee and the Royal Bank talking about increasing corporate taxes or dealing with corporate salaries or the kind of pensions we have talked about. But they believe in cutting social spending. They seem to carry a bigger stick than some of the unions.

The Business Council on National Issues, a virtual who's who of the Canadian business establishment, wants to reduce the deficit and, like the Royal Bank, wants to end universality. Among other things, they specifically zeroed in on old age security.

The minister knows the Business Council on National Issues better than I do. The only thing I know about it is that it is made of up 150 of the major corporate leaders. I asked our research people to get me a list of their salaries. They gave me only two of them. Walter Light, of Northern Telecom, \$904,000. I think that was last year. A. MacNaughton, of Genstar, \$963,000. This big business club wants to resolve Canada's problems by limiting access to old age security, cut subsidies to agriculture and housing and so on, but not, heaven forbid, decrease the contributions from society to the rich.

I have only one or two more comments. You may say, "What does this have to do with it?" It has a heck of a lot to do with what we are talking about.

No sooner had the Business Council on National Issues made its voice heard when we heard from the chamber of commerce. What did

they say at their press conference? They want Ottawa to cut back on unemployment insurance outlays.

Were they behind this little move to make sure one has to spend one's severance pay before qualifying for unemployment insurance benefits? That is a really dirty, direct slap at workers. They want to cut back on unemployment insurance outlays and to offer fiscal encouragement. I translate that as more giveaways to investors.

The crowning achievement, and the last example I want to use, is that of the Canadian Manufacturers' Association. The CMA suggests that the government should consider—even they got slapped a bit in the press on their release—loosening up expensive laws dealing with child labour, statutory holidays, minimum wages, and health and safety. The CMA also suggested that laws requiring employers to notify their employees before laying them off are, in some cases, excessive. My God, think about it.

According to the CMA, minimum wages are too high, and lead to unemployment. In Ontario, a guy at the minimum wage, making \$8,000 a year, is—according to this group, which earns between \$500,000 and \$1.5 million a year—getting too much money. A worker trying to support his family and give his kids a decent life is not worth \$8,000 per year.

Take a look, on the other hand, at the former chairman of Dome Petroleum. He did not exactly bring us a success story. It was one of the biggest corporate fiascos we have seen. What was his settlement worth? Some \$3.4 million?

This is part of what I am talking about in the overall picture, and it is part, in a different way, of what Mr. Docquier also pointed out: the lack of civility that is developing on the industrial scene, with the use of scabs and strikebreakers in many cases, and the fact that one is not equal when dealing with a major corporate branch plant type of operation, a small plant that you may have organized. It is also clearly part of the campaign out there in society today.

I would like to know, because it directly affects workers—this is the only safety net we have. It seems to be under attack, and under increasing attack. I am not sure where your people are going federally. Is this minister prepared to clearly state his support for universality in all the social programs we have developed? Will he clearly state it? Is he prepared to criticize those business groups intent on undermining what labour rights we have?

I submit to you that many of these programs were gained as a result—and we could try to put a political context on it, to say that the New Democratic Party, or the Co-operative Commonwealth Federation before it, was involved with medicare, old age pensions, and many of these things. Basically, these benefits were achieved by labour, by the organized labour movement over the years, by convincing governments—Progressive Conservative ones included—that there was merit in what they were saying was needed to achieve a more civil society and more protection for workers.

Are you prepared to raise the minimum wage in Ontario? As with pension reform and affirmative action, the result of this government's approach to part-time workers—to make marginal reforms internally and to rely on the goodwill of the private sector—is, in most cases, virtual inaction. Are you prepared to take more positive action, whether it be affirmative action, pension reform, the minimum wage, and the things that affect the ordinary workers in the province?

As I have asked almost from the beginning of these comments, will the minister indicate his agenda for legislative reform in the area of benefits for part-time workers, and for workers generally, or will he continue, as he and his predecessors before him—and my opinion about this minister's role in dealing with working people in this province obviously differs from that of this minister. Does he think his role is still just to sit back and, with his ministry, adjudicate the game these people operate and play under? I do not think it is good enough.

Will the minister report on the government's plans for proclamation of Bill 54? This is the bill that would extend benefits and pension plan availability to some of the government's part-time workers. Although it was passed last June, however, it has still to be proclaimed.

The Deputy Premier (Mr. Welch) has indicated that its proclamation is being considered, but until this occurs, the only initiative this government has taken and taken credit for remains on hold, once again indicating part of the reason for our suspicion. The result is that the government's own part-timers remain without the benefits they deserve.

Given that four out of five of the new jobs created in Ontario since 1981 are part-time jobs, will the minister report on his plans to lobby employers' groups on the question of benefits for part-time workers? This is particularly important, since employers are generally hostile to the notion. Increasingly, in recent weeks, a variety

of employer and industry spokesmen have jumped on the anti-labour bandwagon.

3 p.m.

Collective bargaining is the final issue. On the collective bargaining front, let me again go back to the minister's opening comments last year during estimates and see what has actually transpired.

On page 24 of his statement he said: "A healthy and stable collective bargaining system is a vital part of maintaining a dynamic and efficient economy and providing the working men and women of this province with economic security and a productive and safe working environment."

Even if the minister means that in the bottom of his heart, what have we done in view of all of the things that are happening? Why do we have a letter such as the one I read into the record at the opening of these comments today, from Mr. Docquier to the Premier of Ontario (Mr. Davis)? It is going to be interesting, very interesting, to see what kind of a response we get to that letter. I happen to agree with that statement. The problem is I do not see that this government's recent actions have done much to make it a fact and I think we are seeing an undermining of collective bargaining.

I wanted to also raise a few of the issues that have concerned me. We saw—you may have noticed today when we started. He made a brief appearance here. He was down to deal with some other matters with my colleague the member for Sudbury East (Mr. Martel)—Norm Carriere, who learned when the estimates were on and had other things to raise with Mr. Martel, that it might be one more chance to wonder what in blazes is going on in yet another example of what we have talked about. I am talking about the Shaw-Almex Industries strike in Parry Sound. How long has that been going on? For well over a year, I guess. Yes, it started in April 1983.

The key issues were job security. Now the company wants the union out. The company narrowed the gap and now wants long-time programs out, life insurance out and only a percentage of drug and dental benefits. Really, what they want is to get rid of the union.

The firm wants to produce a type of machine splicer for conveyor belts.

The strike started in April 1983. The company would not meet with the union until September, as the minister knows. The union laid charges. After the charges, the company agreed to another meeting, but only one meeting.

The company requested concessions. Hearings started in October and continued to May 10. The Ontario Labour Relations Board urged a meeting. In January, the company demanded further concessions and was charged with bad faith bargaining. It ended on May 10. The board in effect said they had bargained in bad faith but urged continuing the meetings.

The company said they urgently wanted to meet; they waited from May 10 to June. The union contacted Mr. Illing and wrote to the company on June 11. They met on July 9 regarding a mediation meeting. Mr. Illing attended and asked if the last offer was the starting point for negotiations. The company agreed and committed itself to the last offer. The union made concessions. The company wanted more concessions; it wanted the charges before the Ontario Labour Relations Board dropped. The union then took the issue to its membership. There was unanimous rejection.

The company is the second largest employer in Parry Sound. There are scabs working there. There is a clear intent to break the union. The OLRB decision said the company was in violation of the act only for a couple of months, the rest of the time they were really in bona-fide hard bargaining. That seemed to be the kind of a ruling we got.

The union offered a new agreement position. The company did not accept. The only movement has come from the union in this particular case.

I am not going into all the details. I wrote on this but the letters have really come from my colleague, Mr. Martel. I think we even asked a question in the House on it.

But, here we have, in April 1983, another example of what I am talking about in labour relations in Ontario. There are no meetings, there is no settlement, there is nothing going on. There are continued company requests for even further concessions and it is now November 28, 1984, a year and a half later, Minister.

Let me go to some of the others I have here. Because I have not read this over, let me just put on record that I have once again had a delegation of workers in to see me from Local 58 of IATSE, the International Alliance of Theatrical Stage Employees and Moving Picture Machine Operators of the United States and Canada. They are continuing to have problems with Canada's Wonderland, through the Taft Corp. and the use of nonunion people on the job.

They were ready to use union labour while they were building it, but the moment construc-

tion was finished and it came to performers or staff, that was the end of any union involvement in it. The union is very upset at the fact that they cannot get anywhere in discussions on the matter.

If I remember correctly, the minister has told me that he has already had four or five meetings over the Griffith Mine shutdown, yet the latest example of what is happening in our province.

The interesting thing is that I do not know why the workers at Griffith Mine—although I appreciate that they do—have a little more clout, for example, than do the workers at Black and Decker or at some other plants. However, I notice that the Premier was very quick to send a letter to Stelco, as was the Treasurer, about the possibility of keeping the mine open for another couple of years.

The interesting thing is that the team Stelco has contracted out to run the mine was telling the workers about 30 days ago that the future looked reasonably bright for the next few years. As a matter of fact, they had lowered the rock-to-ore ratio from six to one to five to one. The workers thought, "Well, at least we are in business for a while longer."

All of a sudden—whatever the leaner and meaner corporate direction is at Stelco, because there is no question that they called the shots totally on this—we now have a situation where a town could die, and another 200 workers could go, in terms of the Griffith mine. There are a couple of notes we pulled together here, and I am sure the minister is aware of them, but they should be on record to show exactly what we are talking about.

The Steelworkers met with Pickands Mather and Co., managers for Stelco, two months ago. They received an optimistic message. The pellets were of good quality. There were ore reserves to last until at least the year 2013, and the rock-to-ore ratio had declined from six to one to five to one as the pit deepened. Last year, the company spent \$1.2 million on capital equipment for the mine. Given this, local union people and most of the management were taken aback by the closure decision.

As I said, we moved quickly to send Stelco a letter by the Premier and by the Treasurer. Stelco has managed to keep the mine going through recent years of recession, and had recently revised production to 950,000 tonnes. The rated capacity of the Griffith Mine is 1.5 million tonnes.

Local union people felt that the reason for the shutdown was to help finance the modernization

of the Hilton works in Hamilton. I would not be surprised if that is it. It is not that I do not want to see that, or that it may not be necessary for Stelco, but I have to ask how much more it is costing us to pull that ore in, whether it is from Tilden, whether it is from Michigan, Wisconsin or Labrador—in particular, the offshore ore. We are now in a deficit position on iron ore, a substantial deficit position, in Ontario.

We have to see whether the little additional costs involved in keeping that town, that mine and those workers going might not be one of the kinds of economic strategies that we have to take a look at in Ontario—if Stelco needs that kind of money to modernize, to protect the jobs of workers there.

Hon. Mr. Ramsay: On a point of order, Mr. Chairman. It was mentioned by Mr. Mancini this morning, it has been mentioned again by Mr. Mackenzie, it has been mentioned in the House, and various people have been quoted as saying that there are two standards, one for Black and Decker and another for Stelco, simply because the Premier wrote a letter.

3:10 p.m.

That is not the case at all. It is the case that in each and every closure, we do whatever we see fit to do, whatever we think will assist. This was a case in which Mr. Bernier felt strongly about the plant being phased out, if it had to be closed. First of all, we try to keep it open, of course, but if it had to be closed, it could be phased out. He felt very strongly about that and I agreed with him on that point. The Minister of Northern Affairs (Mr. Bernier) thought a letter from the Premier possibly would carry some weight.

I can go back through every closure we have been involved in, and we have done different things on each. It is not a case of different standards, but of doing what seems to be practical and might help. It is just a question of doing everything possible we feel we can.

I really feel it is not a valid criticism that there are different standards for different companies. That is not the situation at all.

Mr. Mackenzie: As the minister said in one of his letters to me, I am entitled to my opinions, he has his on these matters. I really hope he is right, but forgive me for pointing out that what workers will look at then—we will use the two examples you have just articulated. The workers at Black and Decker would have loved an all-party resolution, which does not seem to me particularly philosophical, fundamental or radical.

I grant you, I do not really know what effect it would have. If nothing else, it would be an

indication that all political parties in the province were concerned. It probably would have the same effect—perhaps not quite as great—as a letter from the Premier. We could not even get that through the House.

We got an emergency debate, which does not necessarily mean anything. Immediately, they see two letters to the company that is making the closure on behalf of another, from two of the chief ministers of this government, and they wonder if Mr. Bernier has some kind of additional authority in the House that he can get this kind of action in one case and not in another.

Mr. Haggerty: Black and Decker are not in northern Ontario.

Mr. Mackenzie: I do not know if that is the difference.

Perhaps the minister is totally right, but when people start to worry about their jobs, they become a little irrational. I do not know if you understand that when people see this kind of thing it makes them ask questions, but it does.

In the Griffith Mine situation, as the minister well knows, with 212 in the bargaining unit plus supervision and office, there are 280 employees affected. Two thirds of them live in Ear Falls. That has serious implications with respect to that town, but it also affects the Red Lake area because there are people affected who live there—Cochénoir, McKenzie Island, Madsen. Other than the inhouse Wawa operation, there are now only two iron ore mines operating in Ontario, the Sherman Mine at Temagami and the Adams Mine at Kirkland Lake.

In the Griffith Mine case, the manager was totally unprepared to have any meaningful discussion with workers about severance pay or any other details. You may be getting around to that in your discussions now, but the representatives and workers could get absolutely nowhere. It seems to be contrary to the stated commitment of Stelco to work closely with employees affected by the shutdown. I do not know whether it is a deliberate Stelco ploy or something the management company was responsible for. I cannot make an honest judgement on that.

We can consider asking whether Stelco, with its equity in United States mines, has long-term sales contracts and cannot get out of them, so finds it easier to shut down a mine in northern Ontario. That is not a new question; we have raised it before. However, it underlines exactly what we are addressing.

The history of iron ore mining in Ontario is a pretty grim one. In 1978, there was the shutdown of Marmoraton Mining Co. at Marmora; in

1978-79, the shutdown of Steep Rock Resources at Atikokan by Inland Steel; in 1979, the shutdown of Caland Ore at Atikokan; in 1979 the shutdown of National Steel Corp. at Capreol by Hanna Mining; in 1980, the closure of Inco Ltd.'s iron ore recovery plant at Capreol; in 1983, the termination of Steep Rock Resources' Bending Lake development project; and in 1984, the shutdown of Griffith Mine at Ear Falls.

If our figures are correct, between 1977 and 1982 total employment in Ontario's iron mines fell from 3,772 to 1,716 workers, a decline of 55 per cent. This closure will obviously drop employment even further, to paltry levels.

At the same time, production of iron ore dropped from 10.3 million to 3.7 million tonnes. In 1983, Ontario imported 4,448,352 tonnes of iron ore and exported only 272,000 tonnes, for a deficit of 4,185,626 tonnes. In value, imports cost the province \$231,733,000, while exports brought in only \$6 million, for a deficit once again of \$225,729,000.

It is probably accurate that they can set down a little cheaper at their plants a tonne of ore from the US mines they have an interest in. I am simply saying we not only have the problem of what is happening to the workers and the community, we also have this cost with respect to imports. Perhaps it would pay to consider whether or not there is a point at which we start protecting some of these jobs. Perhaps we should also tell the companies they have an obligation to these workers and an obligation also to see the province does not lose the ability to produce a basic material it is using.

There are any number of questions there. I am sure it is something that will not go away. The questions we and the union have asked are extremely legitimate. One concerns an independent audit of the ore body. Second is an audit of any and all tax breaks and exemptions.

I do not know for sure whether this mine and some others are among those where games have been played. A staff person with the United Steelworkers was the assistant director, Mike Fenwick, who is dead now. I can recall sitting in with Mike a good many years ago at one of the many classes I took with the Steelworkers on taxing policies and the ways of companies, and of mines in particular, in dealing with taxing policies. Anyone who knew him knows that Mike Fenwick was a delight to sit in on a class with and to talk to. He had come through the ranks of the trade union movement in the rough days, right from the sausage-tree days—that is

one of the favourite union stories—in Winnipeg to his key role with the Steelworkers.

I can recall him going over the development of a couple of new mines, back when we were actually developing mines in northern Ontario, and telling the delegates just how the tax exemptions worked. Perhaps it is legitimate, but it stuck with me and it is one of the things the union members said here, that this should be part of the kind of audit we are doing.

Mike was talking about a mine in northern Ontario where they had drained a lake. I forget the name of the mine now. They had drained the lake in sections, so they could put in the first section and leave only a 20-foot barrier before they drained the second section, so they could claim three years' tax exemption for this mine. They would then change the barrier slightly, drain a little more and go into a new section of the same pit, the same mine, and they would then claim three more years' tax exemption because it was a new mine. They could do it three times.

I believe he was telling the truth. I forget the actual details, but he went into some detail with the class in pointing out how certain groups of people could use the laws of the land.

I am wondering if this was one of the mines where they were able, with respect to using spurs, to get into this kind of taxing arrangement. I would like to know, and the workers have a right to know, not just which direct grants or breaks they may have received, but how much the taxpayers of this country have put into the development of these mines they are now shutting down while they still have a viable ore body for a good many years to come, whether it is totally competitive or not.

A number of things bother me. I have been contacted and, although I have not taken down details here, I want to raise for your information another strike that is causing concern. It is the Canadian Union of Public Employees, Local 2191, strike at the Metropolitan Toronto Association for the Mentally Retarded. They went out on the morning of November 10. They have not been out for a long time, but no specific money packages have been offered, only substantive proposals to cut back their wages. The mental retardation workers in the Metropolitan Toronto Association for the Mentally Retarded are not high-paid people to begin with.

The Harold Lawson Residence is one of the struck facilities, because two of the employees working there called me specifically before I checked back with their union.

3:20 p.m.

Can the minister give us some idea of what is actually going on there? Management's final offer—a wage freeze for all current staff, abolition of the wage group and a seven per cent wage cut for all new employees—made the strike inevitable. This is part and parcel of the kind of thing that is happening.

I think such a crude attempt to impose concessions and wage cuts on staff responsible for the care and counselling of mentally retarded people should not be contemplated. Even if these were employees working directly for the provincial government in institutions for the mentally retarded, such attempts should not be tolerated in community-based services in the private sector, especially where the funding is coming largely from the government.

Just before I came in, I talked with Rose Lees in Hamilton over the situation regarding the Ontario Public Service Employees Union, Local 206, at Canadian Medical Laboratories Ltd., and I am wondering where we are going in that situation.

I did not bring the note with me; I should have. However, I think it is more than a year since the decision was made by the board that the employees should be paid eight per cent plus five per cent. They were given an increment payment, a payment of \$750 minus their increment in 1982, and nothing since. That meant \$250 or \$300 to most of them. These, once again, are not highly paid employees.

The Inflation Restraint Board filed an order in court to pay. The union has become so exasperated in the year they have been involved in this case that they have now filed a policy grievance.

As I say, I have lost the note I had taken down while I was talking to Rose earlier. However, they have been getting nowhere for almost a year, or better than a year in this case, yet Canadian Medical Laboratories Ltd. has given an increase in each of the last three years to its other plants.

This dispute over the payment order they have been given by the Inflation Restraint Board involves the workers in Hamilton and Simcoe. The company has dealt with every other area in which it has workers, and given them increases in each of the last three years.

It gave them an extra large increase in Cambridge because the union happened to be organizing there at the time, and after the increase they lost the vote by two votes, but in every other area—you have seen increases to workers here. They have been waiting since

1982, in effect, for a decision to which they were entitled: nine per cent in 1982-83 and five per cent in 1983-84. They have not had the money to this day. You wonder what those workers think of the kind of support they are getting from this government.

We have just gone through the colleges of applied arts and technology strike. As the minister knows, we worked in the House—the negotiations were not directly with this minister but with the Minister of Education (Miss Stephenson)—to get action taken, to catch up on the work for the students by mutual consent.

I had a little call here, and I will pass it on to you. As you know, because of our representations, clause 2(1)(b) of Bill 130 was amended to provide that duties assigned to CAAT teachers to allow students to complete courses of study affected by the strike would be assigned only by mutual consent. Mr. Eric Lord, president of the CAAT academic local at George Brown College, called to notify us that the president of the college has instructed all teachers to assume extended instructional duties in order to make up lost time.

Specifically, his letter requires that classes take place between December 14 and 24. Teachers are normally expected to be in college during that period to prepare classes for the next semester, not to teach additional classes.

When Lord protested that mutual consent was not being requested or obtained, and that Bill 130 was being violated, the president of the college responded that he was only following orders from on high, and refused to rescind his letter.

It has been brought to the attention of OPSEU negotiators, and I know they are in the process of surveying other CAAT units. The union has already circularized all members about Bill 130, drawing to their attention the mutual consent provisions, but it does not take long. Even when we think we have had some kind of an agreement, we see what amounts to a deliberate, if you like, flouting of that particular agreement.

I do not know how we deal with something like this Canada Works one, Minister, because here the union—my union—had signed an agreement and I gave credit to Stelco at the time for dealing in a little more civilized way than we have seen in some plant closures.

Mr. Haggerty: You looked good on television that night.

Mr. Mackenzie: But in the Canada Works situation, the large number of workers involved there were being urged to take jobs in other plants.

Those who went to Union Drawn Steel, for example—and a number of them have been in to see me—are at the bottom of Union Drawn's list after only five or six weeks and are now being laid off although they have maintained seniority for a number of purposes. In fact, there probably was not an excess number of positions they could have been moved into.

I have in front of me a letter here to Mr. Murphy, regional manager, employment standards, that I think puts the case. It was written by my friend John Morgan, representative of the Steelworkers.

"Please find enclosed a copy of the agreement applicable to that works"—he is talking about Canadian Drawn Works, Stelco Inc.—"and a copy of the memorandum of agreement re Canada Works consolidation. Essentially, the question that needs to be answered is what notice is required under the Employment Standards Act for long-service employees who transfer from Canada Works to Canadian Drawn Works under the provisions of the memorandum of agreement.

"The company has taken the position that an employee transferring from Canada Works to any of the affected plants has terminated his employment (see item 4 on pages 3 and 4). Section 03 is on page 26 of the Canada Works agreement.

"It is my understanding that a number of employees with lengthy service at Canada Works have been given the minimum notice of layoff at Canadian Drawn Works.

"I would appreciate your assistance in clarifying this point."

I am pretty darned sure the clarification is going to be yes, in an effort to get these people into other plants and jobs, this is what they have done.

What it simply means is that a worker—in the case of one of the workers who came to me, with 26 years of seniority—is really in a bind when he is the first laid off even in terms of his unemployment insurance or anything else when he tries to apply.

Maybe, that is the best the union could get on that agreement. I think it was better than some, but are the rules in this province such that even when you achieve at least some place to go for a brief time, you then literally forfeit everything else?

I think that is something that may not have been able to be achieved in that agreement, but I am wondering whether the ministry should not be taking a look at a situation such as that.

Hon. Mr. Ramsay: The situation has been brought to our attention and it is being actively studied at the present time.

Mr. Mackenzie: I want to bring to the minister's attention another case that has bothered a lot of the workers and myself. I am sure the minister, also, is aware of this.

I am talking now about the strike at Orenstein and Koppel in Dundas, represented by the International Association of Machinists, the IAM. The workers brought the company's offer of November 12 in to me. Once again, we took a long time, but they finally got a mediation session going. November 12, I think was the meeting with the mediator.

The company did not move at all in this particular case. The takebacks that are listed here, the company's 12 points, make it difficult for any worker to accept, especially those who went through the kind of strike they went through at Orenstein and Koppel.

They have a number of legitimate questions. They wonder at the trucks moving in to take material out for Darlington. They wonder at the actions of the company in the earlier and later stages of negotiations. They wonder at the machinery they say—I do not know if this is accurate or not, Minister, but it is what they tell me—was to be built for shipment to Colombia. I am talking specifically about an RH 75 excavator, a job of theirs which the employees believe has already been shipped by the owner company in Germany.

3:30 p.m.

They wonder why a company that was in such terrible shape, according to the presentation made to them, has been able, with almost nothing going on for—how many months is it? July 2, 1984, is when the strike started, so we are now talking July, August, September, October: five months—has been able to keep 47 office staff going, as far as they know at full salary, and yet denied the minimum that the union is now prepared to accept in that strike situation.

They are wondering whether they are up against tax dodges. They cannot get at the company's financial books, but they are wondering whether the charges that wages are the company's problem, when the wage package is less than 20 per cent of the cost to the company, have any validity if this company can continue to operate during a strike.

Orenstein and Koppel use police, once again, whenever they want to get materials out of the plant. They have a full office staff, 47 employees, with no cutbacks at all and yet we

cannot get an agreement for the 90-odd employees in the unit.

The company was talking to the employees about buying new equipment and a new roof for the plant just before the strike started and then, of course, in the negotiations the situation is one where the company simply cannot afford to meet any of the offers and insisted upon cutbacks almost right across the board.

I raise that case to once again point out what has become common. One of the things the company wants if the workers go back in is a double-wage system. It is one of the new company proposals, incidentally, so anyone being hired will not be hired at the going and negotiated wage rates in that plant.

The dual-wage assault, which is part of this assault on wages, working conditions, and workers' benefits that they have achieved across this province, is very much alive, thank you. It is something that worries me very much and I think it should worry the Minister of Labour.

I am going to touch on this next situation briefly and I hope the minister is aware of it. I will be brief, Minister, because I am not sure what you can do. I suspect it is probably totally in the federal jurisdiction, but it adds to the picture we are running into.

There is a merger going on, as the minister probably is aware, between Canadian Pacific Transport and Canadian Pacific Express. There are some 1,221 workers in CP Express and some 488 in CP Transport. I recognize they are under federal jurisdiction, but the six people who were in my office yesterday at four o'clock—I had to leave the House to have a chat with them—told me that in the integration that is supposed to be going on, three workers with 11 1/2, 13 and almost 14 years of service have been laid off—the other three in my office were still employed—while workers with two, three and four months' seniority are still working.

There is a problem and I acknowledge it. We have two different unions. We had the Brotherhood of Railway, Airline and Steamship Clerks, Freight Handlers, Express and Station Employees, BRAC, and the International Brotherhood of Teamsters, Chauffeurs, Warehousemen and Helpers of America involved. The Teamsters represent CP Transport and it seems they are being integrated into the CP Express operation.

We have a large number of workers who are uneasy, worried and concerned. Quite frankly, my basic approach has been to set up a meeting between them and one of the federal members. If the minister is not aware, I think he should be,

because we have a sizeable number of workers in these two operations in this community who, once again, are having difficulty achieving what they see as a just integration.

I find it interesting that those workers who are having the difficulties—the smaller number—will vote eventually to see who represents them. If the numbers currently hold true, probably the vote will see the BRAC unit win, although one is never sure in these kinds of labour relations matters.

But, it is interesting that wages are almost \$2 an hour higher and the benefits are better with the CP Transport workers. They, of course, appear to be the only ones who are finding themselves out in the integration and the only ones who are on layoff in the operation.

If nothing else, although it is not necessarily in the minister's jurisdiction, I am saying it underlines once again what seems to be a continuing trend almost everywhere to a lower wage effort, if you like, with respect to what is happening to workers.

I do not know whether the minister has looked at suggestions we have made for several sets of estimates now. I have touched on the hours of work; I would like to know if he is looking at that—and overtime and all kinds of things such as that.

Are you considering, as well, something I have raised for a number of years, which is the whole question of whether you are a little outdated in the present two weeks' vacation with pay? The legislation is much better in many other areas, as the minister knows. It may be a very tiny step towards some additional help.

I forget the chap's name now, but as I mentioned two or three estimates ago, a man and his wife who wanted to voice their concern came to see me. They were in an organized shop. They were entitled to the vacations allowed by law. They were getting two weeks. Their neighbour, one door removed, was working at a union shop and was getting six weeks. They both had some 25 years in their trade.

It seems to me a number of progressive and democratic countries have examined the entitlement of workers to vacation. I have raised that in a number of estimates; I am not sure that I did last year. Have we taken a serious look at that? Are the times such, once again, that it is impossible to deal with what might be a minor initiative?

I wanted to raise another concern about how long we have tried to get to the issue of mandatory inquests, for example. I know the minister is on my side on this and I totally accept

his remarks. But we still do not have it. The holdup may be the Solicitor General (Mr. G. W. Taylor), I am not sure.

I cannot go to a meeting of one of the major industrial unions without being asked just when the government is going to move on mandatory inquests and what is the holdup, and being given examples of cases they have had over the last couple of years, even where families have requested inquests into industrial deaths.

I faced this question again about two weeks ago at Local 1005 of Stelco. There was one example there; it was raised with me that they did not get the inquest. Why is it so difficult?

I do not know a union that does not think it important. I know it is the position of the Ontario Federation of Labour; it is the position of labour generally, in a case of industrial death.

What is the difficulty in getting a commitment? How does that tie in, and in what way—is it a question of opposition from our private enterprise system, from employers? What is wrong with taking that small step very quickly; establishing a mandatory inquest where we have an industrial accident?

Like everybody, I am shocked and disturbed at the recent deaths of policemen. I sometimes wonder if we should not spend a little time putting things into perspective. I am not raising this as an issue at these sessions, but we have a hue and cry from a large number of people about capital punishment and finding some way of dealing with the incidence of deaths of policemen on the job.

We forget that mining is a lot more dangerous. We compiled some figures. There were 160 mining deaths from 1972 to 1984. Police deaths in the same span were 45.

To make the picture more fair, we also looked at the work force. The mining work force was 31,508, the police 16,800. So while the death ratio between the groups was four to one, the work force ratio was two to one.

In approximate terms, that still means almost four times as many occupational deaths took place in mining as in policing, yet because it is not quite twice the size relative to work force, mining produced roughly twice as many work place fatalities, at least over the period 1972 to 1984. In absolute numbers of fatalities, for every police officer who died on the job, more than three and a half mining deaths occurred. Expressed as 45 to 160, the ratio is one in 3.56.

3:40 p.m.

We have had a lot of fights over this matter and there has been some move on the latest mining

fatalities, but I have not seen anywhere near the publicity and argument and wailing and gnashing of teeth over mining deaths. When they happen, there is a bit of an uproar, as there has been, for example, over policemen being killed. I raise the point only because once in a while it is worth while putting some of these things in perspective.

I want to comment briefly—if I can find what I am looking for. It had to do with a couple of comments that were in the minister's opening statement. I have not had time to read his statement completely, but it was something I wanted to raise with him.

I said that I was a little bit disorganized at the start, Minister, because of things that have happened today. I did not realize how thoroughly disorganized I am.

Hon. Mr. Ramsay: You are doing great. I do not think you should be apologizing.

Mr. Mackenzie: If I have a complaint, Minister, it is this. When the minister brags—and I do not mean that the way it may sound; when he gives credit to the staff he has, and talks about the tremendous work they do in preparing something, I would point out that in what you can draw on, compared to what I draw on in trying to put together my estimates, there is one hell of a difference.

Hon. Mr. Ramsay: Mr. Mackenzie, you remind me of my wife. Regardless of what I say, she has a comeback.

Mr. Mackenzie: When some of the fundamental things start getting argued out in society, then you and I are going to agree a little more.

It goes back to my concern over the lack of any real action on the strikebreaking problems and issues that have been raised. One comment was made by one of our researchers when he was quickly going through your opening statement. He said: "Why is there not more information, or updated information, on what is happening regarding strikebreaking?"

"In the comment the minister makes on page 127 of his remarks, he claims that some 200,000 people have benefited from the recent changes in the minimum wage. As you may know, it is almost impossible to get any information out of the minister on this topic, so it is interesting to note that Mr. Ramsay appears to have some real figures."

I am telling you exactly what I was asked to do in this case. It says: "Please push him a bit. In 1979, a survey was done that estimated the number of people at or near the minimum wage, but as recently as a year ago, when Richard Johnston was pushing for a rate increase,

ministry people were downplaying the earlier work, basically telling us that it was unreliable, and that nothing better existed. So, we want to know what he's got, and if those old, unreliable figures have been updated, or what."

I have been given the specific comments. I would like some answers on them.

I have three questions here on strikebreaking. As the minister is aware, the government has taken action to remove Securicor's licence via the registration of private investigators. My understanding from several months ago—and I have had a number of people raise this with me—is that Securicor has appealed this move.

Are we talking about months, or are we now talking about years in this case as well? Can the minister provide an update on the actions taken by the government in this area, the current status of any proceedings that are under way, and any further plans the ministry has or actions it contemplates?

The minister will be aware that senior law officers of the province were considering laying charges against Securicor and David Ivers. Can you give us an update on this as well? This was one of the sad chapters in our labour history, but it ties in with the comments that were in Mr. Docquier's letter.

As the minister is aware, I myself introduced a bill in April 1983, An Act to amend the Labour Relations Act. The bill provided for control of access to work premises affected by a strike or lockout. Specifically, transport, removal and handling of the employer's product would be prohibited during a strike or lockout, except by agreement with the affected bargaining unit or by order of the Ontario Labour Relations Board. Given the continuing problems in this area, will the minister indicate his willingness to adopt this legislation, so that Ontario workers can receive the protection against strikebreakers that they deserve?

I really do not expect to get a yes on that, but it ties in very directly with the kind of presentation—which I thought was an excellent one—made in Mr. Docquier's letter. If you are not prepared to move on the kind of suggestion I made—which just begins to make up some of the differences that exist in a small unit trying to deal, even when they have had to go the legal strike route—will the minister tell us if he is prepared to do anything in this particular area with respect to improving the situation in the nastier strike situations?

I was interested in the minister's remarks to the 27th annual convention of the building trades, which he addressed at 10 a.m., two or three

weeks back, at the Holiday Inn. We were in a good position there because I was able to follow the minister at 2 p.m. at that particular session.

In saying that, I do not want to leave the impression that I raised hell with the minister. Those who were there will tell you I gave the minister credit for being accessible. I did not think much of his policies, but gave him credit for not being difficult and for being on the job and easy to reach.

Hon. Mr. Ramsay: Word got back to me and I appreciate it.

Mr. Mackenzie: I was also interested in the minister's comment that he had at least five possible options in terms of subsection 1(4) of the Labour Relations Act.

My concern, which I stated to the construction workers there—and if I am wrong, I would like you to correct me today very quickly and very clearly—is that what the minister was saying was there would be havoc if somebody moved too quickly and too directly in changing this right the workers have to prevent double-breasting. You did not say you were not going to and you were laying out options.

I also told those workers, as may have been reported back to you, that would make me suspicious that some time over the next couple of years we are going to see ministry action and they had better be watching it. I would dearly love to know if the minister is prepared to respond to that.

Are we looking at a weakening of the double-breasting provisions in the construction trades? It is a legitimate question to ask the minister and I know it is one that is of concern to the construction workers, even given the problems they are facing in the bidding on jobs.

Once again, I do not think the wage component of those jobs they bid on is any factor at all. When a company with a nonunion operation gets one of those jobs, he does not quote or use a nonunion rate. It is adjusted all the way up and down the scale. That is probably the last component that is in.

Some of them are playing a phony game. There is a problem out there, but I do not think the answer is to allow us to go back to that particular jungle.

I would like to know whether I read the minister's direction properly when, in laying out the options and saying it would be dangerous to move too quickly, he was not coldly telling the construction workers we are going to have to make some changes in that area.

There are any number of other things I wanted to raise just briefly. I picked up a memo today; I have no real comments. There are a number of things I have not touched on and I am going to draw to a close because I do not have them pulled together the way I would like to.

The minister knows the Registered Nurses Association of Ontario were holding a demonstration at 11:30 a.m. today, in front of the administration building at 1001 Queen Street.

Hon. Mr. Ramsay: No, I did not.

Mr. Mackenzie: Well, they are asking for parity with nurses' salaries in almost all the hospitals in the province. They are in a rough area and I really wonder why, in a recent contract settlement with the Ministry of Health, the registered nurses received a mere 4.6 per cent raise and no other benefits. This keeps them approximately \$3,000 a year below most other nurses in Ontario. This is the kind of discrepancy which some of the legislation we have had has led to.

A committee of registered nurses called Nurses' Action Group, NAG, co-ordinated and organized the demonstration today. They made it clear in the demonstration that patients were going to be cared for during their demonstration. They are members of the Ontario Public Service Employees Union and are expressing their frustration. It seems to me that is yet another example of unfairness we are seeing across the board.

3:50 p.m.

Incidentally, one thing I missed. I mentioned talking to the laboratory workers' union representative, Mrs. Rose Lees, earlier today at the Hamilton-Simcoe unit. In spite of orders from the Inflation Restraint Board and, now, filing a policy grievance, they still have not been able to get the money they have been owed for over a year.

What they raised with me is a legitimate issue. How is it that the same company in its other operations is able to increase wages yearly? There was an extra increase in Cambridge because it was threatened with organization or unionization of the workers, which subsequently lost by two votes.

It is able to increase wages in all the other units, but is not able or willing to pay what it was ordered to pay by the Inflation Restraint Board. Almost all the funding for this company for all its operations and all its testing comes from the Ontario Ministry of Health.

The argument cannot be made that there is not some leverage or clout in that kind of a situation.

A company in Ontario cannot only defy the workers, the agreement and an order of the Inflation Restraint Board, but also it seems they can get away with it. These are some of the reasons we perceive a cynical atmosphere developing among working people.

I hope I can pull together a few other questions I had and pose them in the time available when we get into the individual votes. I would be interested in whatever response I can get from the minister over these issues which I think—I hope he does too, whether or not he agrees with my position—are serious problems, serious concerns and some serious warning signals as to what is likely to be the future of labour relations in Ontario.

Hon. Mr. Ramsay: Perhaps I could take the remaining time to follow up on the questions provided by the member for Essex South (Mr. Mancini). I seek your guidance and the guidance of Mr. Mackenzie.

When we come back next Wednesday, Mr. Mackenzie will be expecting me to respond to those questions he posed today, after which we would go into occupational health and safety. Is that correct?

Mr. Mackenzie: Yes, because most of the questions have been asked. This is why I said that, given what we did in the format, we cannot spend much time on the individual votes. I hope we can correct this for next year. I think your suggestions about sitting down with us are good.

We decided this morning we would start on safety and health first thing in the morning. This is when people are planning to come in. Maybe we could schedule that for the morning, and answer questions and do the other votes in the afternoon.

Hon. Mr. Ramsay: I wanted to make sure you are expecting me to respond to the various points you raised.

Mr. Mackenzie: I am hoping you will, because some of the questions would have been asked if we were dealing with individual votes.

Mr. Haggerty: I want to bring to the chairman's attention it is just as well to have had the minister lead off with his opening statement and the two opposition members lead off as well. However, I think we have to give consideration to other members sitting on the committee.

I still wish to have my opportunity to question the minister on areas of concern to me regarding his opening statement. I do not want to sit here and be kind of muzzled, in a sense. That offends me.

Hon. Mr. Ramsay: With respect, I had the feeling from listening to Mr. Mancini this morning that he is expecting you to take part in the occupational health and safety debate, which will start at 10 o'clock next Wednesday.

In other words, you would have the first opportunity to talk about occupational health and safety because you are a representative of the Liberal Party. You would be followed by the member for Algoma (Mr. Wildman). I assumed this is the way it would be.

Mr. Haggerty: While both of them have had the opportunity to question your leadoff statement, I thought that opportunity should be given to any member sitting here.

I mentioned to you during your opening statement that I thought you were going to be spending a lengthy period of time on it. You said, "No, I read one page per minute." I said, "I think you will be running about four and a half hours," and I think I was right on.

Hon. Mr. Ramsay: No, you were a little light. It was five hours.

Mr. Haggerty: You were taking two minutes a page then.

Hon. Mr. Ramsay: No, I think it was one minute a page. I think I started to slip towards the end. Do you wish me to go ahead?

The member for Essex South pursued a series of questions which were placed in Orders and Notices in March. The number of questions in this series totals eight. However, the number of questions underestimates the magnitude of the inquiry since many of the questions involve multiple topics.

In addition, for the purposes of assessing preparation time involved in assembling full responses, it should be pointed out that the member has asked for information for some categories of questions for each of five fiscal years, from 1978-79 through 1982-83.

In an effort to be of assistance, we have assembled aggregate information in response to those questions for which information is readily available, for the fiscal years 1981-82 and 1982-83. To do more than we have done would require literally hundreds of hours of manual retrieval and detailed analysis. This is so because the information requested is not available in the format and detail in which it was requested.

Perhaps, before dealing with each of the questions in turn, I could use a legal analogy. The courts have made it quite clear that they will not permit parties engaged in litigation to embark upon generalized, nonspecific interrogation without first laying the groundwork for an

assertion that there is reason to believe a particular line of questioning would be relevant to the issues being determined.

I believe that the analogy may be appropriately applied to an examination of a ministry's estimates. Although we are a relatively small ministry, we have literally hundreds of individual transactions involving contracts for services and goods in each fiscal year.

I venture to say that if the required resources were applied to retrieve, in full detail, the information sought in the questions for each of the years in question, I would necessarily be required to consume a very substantial portion of the hours allotted to this debate to recite the descriptions of each of the transactions encompassed within the questions in Orders and Notices.

It is not enough for my friend to say that the questions are simple and require short answers. The explanation of the transactions, the way in which they were characterized and dealt with under the Manual of Administration, the rationale for each of them, the benefits derived, and the way in which the results contributed to the enhancement of the policies and programs of the ministry—all of these collateral matters are important ingredients of an answer or series of answers that I would propose to make in order to establish the appropriate and relevant context in which the administrative and spending decisions were made.

I do not believe that this laborious exercise would be a productive use of the limited time available. There are some very important issues of policy and administration to be discussed in the hours allotted to an examination of my ministry's activities over the last fiscal year.

I think most members of the committee and the public would agree with me that we should be spending our time in a productive and relevant way, rather than engaging in long recitals describing the fine details of the countless transactions which constitute the day-to-day operations of the ministry.

It is precisely to avoid time-consuming discussions of this sort that we have the Audit Act. For that same reason, the Provincial Auditor, with all the independence attached to that office, is given the authority to delve into the ministry's transactions and to have access to all ministry documents without limitation.

Moreover, we have a standing committee on public accounts, where the findings of the Provincial Auditor, or any other question concerning the expenditure of public funds, or the

administrative or operational practices of particular ministries, boards, agencies and commissions, can be raised.

In this connection, I might add that senior officials of my ministry have appeared before the standing committee on public accounts on several occasions in recent years. They have provided full, accurate and detailed information concerning the financial and administrative aspects of various activities carried on by my ministry. On those occasions, we were responding to particular and focused questions, not the generalized, all-encompassing series of inquiries of the sort pursued in the questions put in Orders and Notices by my friend.

I want to make it clear that if there are any particular transactions which my friend has in mind, I should be pleased to provide full information on the details of such individual transactions. For example, I recall that he raised some specific questions last year. As I am sure he will recall, we provided him with full written replies.

I assume that the replies were satisfactory, since I have heard nothing further about the information supplied—which, I may say, took some considerable time to assemble, even though the questions in that instance were very particular and focused, unlike the tabled questions.

4 p.m.

Subject to the reservations I have expressed, I can provide the member with the following information.

In his March 22 letter to me, Mr. Mancini asked eight questions. The first one dealt with consultants.

Based on information readily available, I can tell you that in 1981-82 the ministry spent \$80,856 for management consulting services; \$815,973 for technical consulting services; \$145,650 for legal services; \$186,170 for research and development services; and \$446,884 for creative and communications services.

For 1982-83 the amounts are as follows: \$62,324 for management consulting services; \$956,416 for technical consulting services; \$236,427 for legal services; \$387,342 for research and development services; and \$819,288 for creative and communications services.

The second question dealt with ministry unclassified staff. Mr. Mancini requested we indicate the number of people employed by the ministry by contract or otherwise, who are not classified as civil servants. He asked that we

indicate the total cost incurred for those services for the fiscal years 1981-82 and 1982-83.

In 1981-82 the ministry employed 546 people on the unclassified service at a payroll cost of \$2,949,400. In 1982-83 the ministry employed 541 people on the unclassified service at a payroll cost of \$3,067,100.

The next question dealt with vehicles. Mr. Mancini asked: "Would the Minister of Labour indicate how many vehicles are rented, leased or owned by the ministry; what is the expense incurred; and description, that is, the model and year of each vehicle owned, rented or leased by the ministry?" In the current fiscal year, the ministry owns 237 vehicles. We are leasing one vehicle and not renting any.

I would like to provide you with the following cost breakdowns of ministry-owned vehicles. The expense incurred so far this fiscal year, in terms of gas, repairs, maintenance, etc., is \$229,740. As for the make and year of vehicles, I can list the following:

Three Ford vans; seven Ford Mercury Zephyrs; one Ford Pinto; three Ford Broncos; 50 Ford Fairmonts; two Ford tractors; three Ford pickups; one Ford station wagon; one Mercury Marquis; 30 Dodge Volares; three Dodge station wagons; one Dodge pickup; eight Dodge Reliants; one Dodge Supervan; nine Dodge Ram Chargers; five Dodge vans; one Dodge mobile laboratory; one Chevrolet Nova; two Chevrolet vans; one Chevrolet station wagon; one Chevrolet Malibu; two Chevrolet Vanduras; 16 Chevrolet Citations; one GMC Jimmy; two Chevrolet Blazers; two Chevrolet pickups; one Chevrolet Chevette; four Chevrolet Celebrities; 16 American Motor Corp. Eagles; 30 AMC Concord; one AMC Cherokee; and four AMC sedans.

Two of the vehicles are 1976 models; 13 are 1977 models; 17 are 1978 models; 20 are 1979 models; 37 are 1980 models; 51 are 1981 models; 61 are 1982 models; 22 are 1983 models; and 25 are 1984 models.

Next, Mr. Mancini asked whether the Minister of Labour's parliamentary assistant has access to government-owned, chauffeur-driven limousines, and on what basis and conditions. In answer to this question, the parliamentary assistant could have access to my car if this was required for ministry business. I am not sure he has ever actually used my car.

Mr. Gillies: I never have.

Hon. Mr. Ramsay: I want him to know it is available to him.

Mr. Haggerty: Can he drive, though?

Hon. Mr. Ramsay: The next question dealt with trips taken outside Canada.

Mr. Gillies: The parliamentary assistant is open to that suggestion, too.

Hon. Mr. Ramsay: You are not included in that. Neither is the minister.

Mr. Piché: Most of all, give your colleague that information. We are not asking you why he asked all those questions.

Hon. Mr. Ramsay: "Will the Minister of Labour outline the number and destination of all trips taken outside of Canada by the minister, the deputy minister and the assistant deputy ministers at public expense for each of the fiscal years 1981-82 and 1982-83?"

"Would the minister outline the members of staff and any nonministry personnel who accompanied the minister, the deputy minister and the assistant deputy ministers on any of these trips? Would the minister indicate the purpose and cost of each trip headed by the minister, deputy minister or assistant deputy ministers? How many direct jobs have been created in Ontario to date as a result of each trip?"

In 1981-82, there were seven trips which fell within this category. The first was a trip to New York by the deputy minister to meet with the president of the Work in America Institute. He was accompanied by Dr. Hans van Beinum, the executive director of the Quality of Working Life Centre. The cost was \$794.42. The second trip taken by the deputy minister was to Boston to meet with Professor Weiler, and cost \$313.33.

The third trip was taken by Dr. Elgie to New York to meet with Sunmark Industries. The cost was \$373.27. The fourth trip was also taken by Dr. Elgie, regarding the development of a letter of agreement between the Workers' Compensation Board and the IKA of Greece, and he attended the 35th Pan Macedonian Congress. He was accompanied by his executive assistant, Mr. Fatsis, and the cost was \$2,709.79.

The fifth trip, to Washington, DC, was taken by the assistant deputy minister, occupational health and safety division, for a meeting with occupational health and safety administration officials. She was accompanied by Mr. Gladstone, her executive assistant at that time. The cost was \$827.55.

The sixth trip in 1981-82 was again taken by the assistant deputy minister, occupational health and safety division, who attended the conference on health care of the Society of Forensic Toxicologists in Chicago at a cost of \$435.94.

The final trip was made by the assistant deputy minister, industrial relations division. He walked out.

Oh, there you are. I thought you were walking out as I was going to tell them—

Mr. Pathe: I did not want to miss it.

Hon. Mr. Ramsay: This was the big trip of the year. The final trip was made by the assistant deputy minister of industrial relations, who attended the International Labour Organization's annual conference in Geneva. The bulk of the cost for this trip was borne by the federal government, although \$168.20 was charged to the province.

I really think we should have the auditor look at that.

Mr. Piché: Are you sure you do not want a breakdown of this, all \$168 of it?

Mr. Mackenzie: I am not sure, he could have had supper with my son.

Hon. Mr. Ramsay: There was only one trip in 1982-83, to Boston, and that was taken by Mr. Armstrong, accompanied by the chairman of the Ontario Labour Relations Board, for a meeting with Professor Weiler at a cost of \$836.18.

The next question dealt with public opinion polls. Mr. Mancini asked the Minister of Labour to table the public opinion polls commissioned by the government during the fiscal years 1981-82 and 1982-83. He asked if the minister would indicate the cost of each poll, the company that took the poll and whether the undertaking was tendered or not.

The Ministry of Labour did not commission or conduct any polls during the two fiscal years in question.

The next question dealt with the communications branch and expenditures.

"Would the Minister of Labour specify: "(1) the number of employees directly responsible for communications with the public and press, and the total salaries in the communications/information branch of the ministry and any of its agencies, boards and commissions for the fiscal year 1982-83; (2) the number of clerical and support staff and contract staff who assist communications officers, and their total salaries for the fiscal year 1982-83; (3) the number of employees directly responsible for communications with the public and press, and total salaries in the communications/information branch of the ministry and any of its agencies, boards and commissions for the fiscal year ending 1977-78, if applicable; (4) the number of clerical and support staff and contract staff who assist

communications officers, and their total salaries for the fiscal year 1977-78; and (5) whether the minister has a personal media adviser or advisers, and if so, what salary or salaries the advisers received for the fiscal year 1982-83?"

The number of employees directly responsible for communications to the public and press is three, and the salaries for those people in 1982-83 totalled \$113,805. The number of clerical and support staff in the branch in that year was four, for a total cost of \$72,059.

In 1977-78, there were two people directly responsible for communications with the public and press, and their salaries at that time totalled \$53,138. In 1977-78, there were five clerical and support staff in the communications branch. The salary cost was \$36,926. In 1982-83 the Minister of Labour did not have a media adviser.

The final question in this series related to advertising expenditures. Mr. Mancini asked:

"Would the Minister of Labour indicate: "(1) what was the total advertising budget for the ministry and its agencies, boards and commissions for the fiscal year 1982-83; (2) what was the comparable advertising budget for the fiscal year 1982-82; (3) which advertising agencies were employed; (4) were tenders left for these accounts; and (5) would the minister provide a copy of the material used in all of the promotions, such as brochures, radio and television scripts, direct mailings and any other promotional material?"

4:10 p.m.

In response I can tell you that in 1982-83 the ministry expended \$721,113 on advertising. In 1981-82 it was \$446,884. In both years Foster Advertising Ltd. was employed and tenders were let for these accounts. I have material to table relating to those expenditures.

That is the reply to those questions by Mr. Mancini. There are a couple of other points he made to which I would like to refer very briefly. With regard to the size of the plant closure branch, he indicated there were only five people and, in the light of all the closures with which we have had to deal, that would seem to be very inadequate.

I should explain that when there is a closure it is not just the five people in that branch who get involved. I get deeply involved, as I said in an exchange this morning with Mr. Mackenzie.

For example, with the Griffith Mine closing I have already had four extensive and lengthy meetings in five days. That is just for openers; we are just getting into it. In attendance were not only myself but also the deputy minister, the

assistant deputy minister and the officials directly involved with the plant closures branch.

It is not just five people. The senior level of personnel in the ministry itself and members of my personal staff get involved as well.

In addition, and this is important, there are men with broad industry experience, respected by labour and management alike, who act as special designates, for want of a better expression. They get involved on the site and right in the middle of the problems to try to ensure the counselling programs are set up properly, the conditions of the employment standards branch are observed and so on. These people are assigned to particular closures. We have a number of them.

If you look in your estimates book you will find the budget for this branch is just over \$1 million. Obviously there is more money being spent and more human resources used than five people.

The member for Essex South also asked about follow-up procedures. I cannot give you chapter and verse of all those we have, but I can and will provide them in written response. All I can say at this time is that they are extremely substantial indeed.

We have done two major studies on plant closures and there are others in progress. The deputy and I looked at each other when that question was asked and both said the same thing. We really think we have too many follow-up procedures. We are very adequately served in that respect.

The other point Mr. Mancini raised—and I think we were having an exchange without the benefit of the microphones here, despite the best wishes of the chairman who would have preferred that we had not done it in that manner. To clarify what I was trying to say at that time, he was talking about the lack of co-ordination with respect to youth unemployment. I would make the opposite point.

If we had not already, we now have the finest co-ordination of youth employment services we have ever had. It is out of the Board of Industrial Leadership and Development office, part of Treasury. A youth commissioner has been hired. It is not a case of the Ministry of Labour doing a portion, the youth secretariat doing another portion, and the Ministry of Colleges and Universities doing another. We all play a role.

We have the Ontario Manpower Commission—incidentally, the youth commissioner just became an ex-officio member of it within the last

few weeks; there will be even further co-ordination in youth employment.

I really do not think that is a valid criticism. In fact, the opposite is true. The co-ordination now is better than it has ever been.

Pension reform, which Mr. Mancini also mentioned, is certainly an area of great concern to our ministry, but pension reform is the responsibility of the Treasury, and the Pension Benefits Act is the responsibility of the Minister of Consumer and Commercial Relations (Mr. Elgie). We do not carry it in our ministry, but please do not go on to say that we are not concerned. We are, and we keep in very close touch on everything going on in those areas. Pension reform is in the area of the Treasury and the Pensions Benefit Act goes through my colleague, the Minister of Consumer and Commercial Relations.

The matter of the disabled was also raised by Mr. Mancini. I admit that it is one of those things on which one seems to take one step forward and then a couple of steps back. I have noticed, in the two and a half years that I have been in the ministry, that there are more steps being taken forward than backwards these days. There is a greater awareness in the work place.

I do not want to repeat what I said in my opening statement; some of the initiatives being taken are clearly laid out there. We are now working towards implementation. There is an interministerial committee working on the Pigott report.

I have attended several meetings, one in Peterborough. There is a company there—and this is a sort of coincidence. It came into my mind yesterday. I was in the presence of the Deputy Minister of Industry and Trade. He had just come back from visiting a plant in Peterborough that has had great success in its production capacities and in exporting goods from the Peterborough area. It has had phenomenal success, actually, in its export activities. When Mr. Mancini brought up the subject of the disabled, I could not help thinking of that Fisher plant.

When I went to Peterborough to address a handicapped employment council meeting, the chairman of the meeting was one of the partners in that operation. I sat beside him at dinner, and he was telling me of the handicapped people they had hired in their plant, and the high quality of work, dedication, minimum absenteeism and so forth. They had done the hiring on a test basis, but they found it to be so successful they have continued it.

Here is a company prospering and winning a good share of the world market for its specialty line, and it is using handicapped people to the advantage of both the handicapped people and the company.

I am beginning to hear those stories all across the province—even in Sault Ste. Marie, where we have unemployment figures approximating 20 per cent. I attended a meeting there in which a council was formed. I saw a lot of employers that day who had layoffs, but they were making commitments, and they were determined to do what was right and proper for the disabled.

Hamilton, Mr. Mackenzie's area, has made great strides. They were the first off the mark. I believe that my parliamentary assistant, Mr. Gillies, has travelled to North Bay and other areas—

4:20 p.m.

The Acting Chairman (Mr. Gillies): Sault Ste. Marie and North Bay.

Hon. Mr. Ramsay: —on behalf of the handicapped program and he has reported to me the enthusiasm, success and optimism there is about a breakthrough in being able to find gainful employment for the disabled.

One has to bear in mind that it has been very difficult in the last couple of years with the recession, but now with the turnaround and recovery, we are going to be in a good position to make sizeable gains because of the spade work being done. We are not going to make giant strides, but we will certainly make sizeable gains and improvements.

Those are my remarks about the comments of the member for Essex South. Mr. Haggerty has a comment or two he would like to make. I would like to leave him an opportunity to do so.

Mr. Haggerty: What time will we adjourn?

The Acting Chairman: We are planning to adjourn at 4:30.

Mr. Haggerty: I will not take much time.

The Acting Chairman: Would you like the final 10 minutes?

Mr. Haggerty: I want to go to the minister's opening statement.

On page 3 of the opening statement, you say, "On the broad front, the persistence of relatively high unemployment rates has masked the very real success that we have experienced in this province in terms of employment growth over the last year. Following the decline of 104,000 jobs in 1982, 29,000 jobs were created in 1983. More recently, over the past 12 months employment has increased by 139,000."

It would be interesting to find out if these figures are true and in which areas the employment has occurred. I do not think it has taken place in the riding of Erie or in the Niagara Peninsula.

Hon. Mr. Ramsay: Neither has it taken place in Sault Ste. Marie.

Mr. Haggerty: That is right. You are in that problem area too.

You said, "In 1982, while many jobs were being lost, the labour force actually grew by one per cent." That is not that great, considering the loss of 102,000 jobs. "In 1983, this accelerated to 1.4 per cent. Over the past 12 months it has increased at an even faster rate, now approaching three per cent."

I hope you are right on with that forecast of three per cent.

I am quoting again. "Between 1981 and 1983, employment in manufacturing declined by 100,000 or 10 per cent. In the resource sector, employment declined by 21,000, also about 10 per cent. At the same time, however, right through the two-year recession, employment in the service sector actually increased and stood over five per cent higher in 1983 than in 1981."

The member for Hamilton East (Mr. Mackenzie) had brought this to the attention of the minister too. It concerned the layoffs at Simpsons.

When I look at that comment, I suggest in the service sector there are perhaps more part-time jobs being provided. Meanwhile, there are a number of full-time employment opportunities disappearing. The trend under the present economic conditions is part-time complement or employment. To say there is an increase in this area, you are looking at part-time employment.

I continue quoting: "During the recessionary period from 1981 to 1983, the female labour force continued to grow quickly and expanded by almost five per cent." I suppose that would concur with the above paragraph about part-time workers. "Over the same period, the male labour force in Ontario grew by less than one per cent. On the employment front as well, there was quite a wide disparity. Between 1981 and 1983, employment of males declined by 100,000 while female employment actually increased by 24,000." That is why I have mentioned the part-time employees.

I have no reason to disclaim the figures supplied by the minister. However, do they really relate to the true picture of unemployment? When we look at male employment declining by 100,000, that is probably from Canada Employ-

ment and Immigration Commission offices and indicates the number of persons on their lists looking for employment. It does not include the industries.

I am thinking particularly of Inco in Port Colborne, for example, and of Sudbury and other places where today industry cuts back on manpower hoping to increase productivity or profits. They have come out with a program to encourage a number of senior employees to take early retirement.

When we look at the number of those, which are not listed here, it would be misleading to indicate they should be included in the unemployment figures. The numbers then would be higher. When they retire, these people are on pensions. Many of them have 30 years plus the age factor to 55, and now their jobs have been terminated, but they are not considered unemployed.

I was looking at an article in the Toronto Star this morning, November 28, 1984: "Robots Stealing Our Jobs, Ottawa Told. Hi-tech Put 630,000 Out of Work in the 1970s—and Others Will Follow."

This government and the federal government are promoting research and development and telling us we are going to see the recovery of our economy, and that it will increase employment. Looking at these figures and what all levels of government are trying to indicate to the public, I do not think we are going to have full employment. As the member for Hamilton East said, the government is going to have to look at other means to create some form of employment for many young people.

I have read studies from the United States. As much as we do in research and development, as we improve our productivity through new technology on the assembly line, the Third World countries are doing the same. We are not going to gain anything because we will still have to compete.

There is no end to this vicious circle. It will put masses of people on unemployment rolls here, in the United States and throughout the Third World. What will we do with them all? Industry and government have not yet come forward with a solution.

I am thinking of one project General Motors has. They can do it now, and are starting to implement it. It is called Saturn. It takes 2,000 hours to produce an automobile today. In fewer than three or four years it will take 30 hours. I do not have to tell you the number of people who will become unemployed in the automobile

industry here and perhaps even in Japan. That means more persons will have idle time.

My colleague mentioned reducing the work hours. I could agree with that, as long as a person has only one job—in the sense that he cannot go out and moonlight, because the service industries today are looking for part-time help. They do not have any scruple about a person having full employment and wanting to work extra time for additional income. I suggest that if we move in that direction, we will have to decide who is going to get jobs.

4:30 p.m.

That is the serious problem—and this government will have to respond to it—not only here but on the American side. It is misleading the public to say the economy is turning around. It may well be. There are good profits shown by industry presently.

However, I think the Pope was right when he talked about high technology. There was a good message when he visited Canada and brought to our attention that we should not be sold out by high technology because the profits are going to go to a few people in our society and we have to be concerned about the others who are there. If intensive research or something is not done to come up with some programs that are perhaps going to create long-term employment, these are areas the government can move into.

I have said at different times we have one of the most advanced pipe mills in the world sitting idle in Welland. It produces pipe up to 60 inches in diameter. With all the handouts and government tax concessions given to the oil industry we still do not have a pipeline down to Ontario from the new Arctic gas or oil finds.

The Acting Chairman: Would this be a good time to break, Mr. Haggerty?

Mr. Haggerty: I will finish the point I was going to make. In areas like that we should be looking to long-term employment. We should be building pipelines across Canada and not be as concerned about aiming north and south as we have been with other energy forms such as electricity. As soon as we start selling that energy more cheaply to customers in the United States than we can to consumers here in Ontario, we are providing jobs over there.

I would be concerned about this present government calling for freer trade with the United States. It is all right to say that, but let us look for fair trade.

The Acting Chairman: The time for adjournment is here, but, Minister, you have one quick point.

Hon. Mr. Ramsay: I meant to mention it when I started to read the response to Mr. Mancini's written questions.

Last week Mr. Mancini asked for a report on the use in Ontario and the health effects of substances for which a notice of possible designation has been published. I do have that information here. I have tabled it with the clerk. I wanted to get it in here at the end in case anyone wants it now so they can give it to the occupational health and safety critics.

Mr. Haggerty is going to handle occupational health and safety, so he should have a copy of it here. It was asked for by Mr. Mancini.

The committee adjourned at 4:32 p.m.

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From the Ministry of Labour:

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Morning Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, December 5, 1984

The committee met at 10:03 a.m. in committee room 1.

ESTIMATES, MINISTRY OF LABOUR (continued)

Mr. Chairman: I call the meeting to order. We can proceed with vote 2401 in the Ministry of Labour estimates.

I want to indicate to the committee that there are five hours and 20 minutes remaining. How would we like to allot that time today? The minister apparently has a dental appointment at 4:45 p.m. Perhaps we could adjourn for an hour for lunch, from 12:30 to 1:30, and come back at 1:30. Would that be acceptable to members?

Mr. Mackenzie: I have no objection to that. However, as I understood it, we were going to do the vote on the occupational health and safety program first thing this morning, were we not?

Mr. Chairman: That is correct.

Hon. Mr. Ramsay: I would like some guidance from you, Mr. Mackenzie, if I could. I have a response to the questions you raised with me last week; it would take a maximum of 20 minutes. Where would you like that to come in the proceedings?

Mr. Mackenzie: Immediately following the health and safety vote, which is scheduled for this morning at the most.

Hon. Mr. Ramsay: And then we could respond—

Mr. Mackenzie: You could make the response, and we would still have a couple of hours.

Hon. Mr. Ramsay: We could also respond to some of the health and safety matters.

Mr. Mackenzie: There are two or three items not covered in that brief later period. I presume the Liberals may have a couple of points they want to cover as well.

Hon. Mr. Ramsay: Sure.

On vote 2404, occupational health and safety program:

Mr. Haggerty: Mr. Chairman, this is rather an important field as it relates to occupational health. Being pressed for time, it does not leave us every avenue to do soul-searching in the directions we should be heading for.

I was interested in the minister's comment about firefighters, starting on page 73 of his opening statement:

"As I indicated during the last estimates debate, the occupation of firefighting carries with it the inevitability of exposure to heat, flames and toxic substances. There are also hazards associated with falling objects and unstable working surfaces. In view of these hazardous conditions and of the fact that the act does not permit firefighters to refuse unsafe work...."

I want to question the minister on that point, that the act does not permit firefighters to refuse unsafe work. It is hard to accept that they can be exempt under the Occupational Health and Safety Act. I think of the new Charter of Rights section that will be coming into effect in 1985 giving persons the rights before the law and after. I suggest you leave the door open to say there may be proceedings under the Charter of Rights for these persons, the professional and volunteer firefighters of Ontario, who will be denied their right to safety.

The minister's statement said "reliance has been placed on protective equipment, operating procedures and work practices as a means of protecting firefighters."

For two or three years now, we have had studies about firefighters' personal equipment or wearing apparel. Some of the equipment used by some fire departments may be outdated. The Ontario Research Foundation is doing a study in the area and some testing. It draws specifications for firefighters' clothing. It says a special group of firefighters from Toronto and Ottawa is trying out new protective clothing made to specifications drawn up from the Ontario research. These experimental suits were designed to have a tolerance to heat, sharp objects, electrical shock and fire higher than that of conventional gear. This is according to Allan Athey, senior research scientist on the project.

The project was launched after the Ontario Professional Firefighters' Association raised concerns about the safety of existing protective clothing. They brought in samples, some of which were found to be flammable under certain conditions.

At the same time, two other developments were taking place that made the moment right for designing new safety standards for the firefighters' turnout coats. They got into the area of the present turnout coats and equipment they have to wear. Through their design or material, this equipment may cause undue stress to the firemen. I watched the Toronto Fire Department as they were called to an emergency. In many cases, when they came off their truck they wore their heavy coats and big rubber boots and their Scott air pack or some other kind of respirator.

This study has been going on for two or three years. Surely there should be something coming out of the research, or out of the space program and the equipment the astronauts use. I would not say it would have to be as expensive as that, but they have been able to make advances in the area of providing lightweight suits. There is no reason we should not be moving to bring about some safety standards, even for the personal equipment.

10:10 a.m.

The Solicitor General (Mr. G. W. Taylor), who is responsible for firefighting matters and departments in Ontario, has laid out some rules and regulations relating to improved helmets. There were modifications on the older helmets. If we come up with new specifications, there would be an additional cost to the municipalities. In many municipalities, for fire departments and volunteers in particular, the capital will not be there, particularly to buy all this specialized equipment they should have.

I suggest the Minister of Labour (Mr. Ramsay), with his counterparts, should come forward and provide some financial assistance for purchasing the additional equipment that is required. I believe the Solicitor General got a bill passed last year permitting municipalities to set up emergency task forces within communities. I think once this is well established in communities—in some cases it already is—it is going to cause a further demand upon the firefighters in an emergency.

I have an article here that I thought I should read into the record. It is from *Canadian Firefighter*; its publisher is Lorne Campbell. This is what he thinks about what is going on:

"Every now and then I see something happening in the fire services that makes me want to throw up. I have the feeling now, and I will tell you why. Fire chiefs are watching with great interest the results of a clothing committee that was struck more than three years ago. The reason

they are watching is because the committee will set the standards for safe turnout gear.

"While we wait and wait and wait, our people are in jeopardy at every call. It is no wonder the committee is referred to as a 'do nothing' committee. I was personally told by the chairman it will probably take two or three more years before we have a Canadian standard for turnout gear. Sitting on this committee are representatives from the Ontario Association of Fire Chiefs, the Ontario office of the fire marshal and the Ontario Professional Fire Fighters Association as well as experts from manufacturers of firefighting clothing.

"Keep this in mind. I will now tell you why I feel like throwing up. How many of you have heard of the store-style couplings? Not too many. I am sure there are only three provinces in Canada that have standardized couplings. The rest have a hotchpotch of types." Now, here it comes:

"While our people"—the Canadian firefighters—"are wearing less than safe clothing, a movement is already under way to have someone (you and me) pay hundreds of millions of dollars to standardize all the couplings in Canada. The groups supporting this change are the Association of Canadian Fire Marshals and Fire Commissioners, the Canadian Association of Fire Chiefs Inc. and now the Ontario Association of Fire Chiefs.

"Are they kidding? We need safe equipment, not new couplings. Ontario standardized all couplings in 1955. So do we need the expense again? Where are their priorities? What is more important, your life or the difference of three seconds in connecting a coupling? I am not against the new couplings. It is just my priorities are slanted to your welfare first. Then and only then can I consider the move to changing the couplings."

I think he is right. In 1955 there was a standardization of all the couplings. Connections to the fire trucks and to the hydrants were also standardized back then. I suppose the movement in this area now is to go to the metric couplings. When we go to that area, I can think of just one thing: Perhaps we are not going to have the equipment bought here in Canada; it will be purchased offshore. I suggest he is right: priorities should be set.

About a year ago this coming December, I guess it would be, many people watching television were shocked by an event that occurred in the city of Buffalo. The lives of a whole platoon of firefighters were snuffed out.

The point arises, when these firemen are called out to any fire, whatever it may be, the consequences may be fatal. In that case I think six or seven firemen lost their lives and two pieces of equipment were ripped apart by the explosion.

The reason the event occurred in the city of Buffalo, and can no doubt happen here, was the lack of proper building inspections. Buildings should be inspected for what business is contained or what kind of manufacturing is being carried out inside. In this instance, propane was used in the building without proper inspection or authorization under the regulations of the city of Buffalo's fire code. When the firemen pulled into the area of the fire, before they even got off the truck, the building blew apart and ripped everything apart, even equipment. It could happen here.

I suggest to the minister and his colleague the Solicitor General, with respect to production in plants and industry, fire departments should have full knowledge of the type of production or processing of products being carried on in any building in Ontario. During a fire, the combination of heat and water—with the chemicals and synthetic fibres that may be in and around buildings—can produce very noxious gases, many of them deadly. I think a fire department, which is the first line of defence in any emergency, should have the proper equipment.

It is time Ontario shared in the cost to ensure these men are protected by providing safe equipment and personal gear, the best that technology can make available. I think of what happened in Mississauga a couple of years ago and the risk involved there because of the toxic chemical. There were no lives lost in that event but it could happen. There was the recent event in India, with the chemical plant and the loss of lives there. In Mexico there was the natural gas explosion. The risk and potential are there.

On every street in the city of Toronto and in every municipality in which there is a gas line serving the community, there is a risk in the event of an accident. I suggest it is time this ministry and the government considered that firefighters in Ontario be included under the Occupational Health and Safety Act. They have rights in their working environment as much as anybody else insofar as they are providing a service.

That is the area I was concerned about. Answers are needed now. There is a heavy cost to municipalities, and I do not know if any of them can afford the cost of purchasing new equipment today, particularly personal gear for firefighters.

There is some question about the style of the air packs they carry, whether it is a Scott or another. There have been advances, but the cost of replacement is sometimes prohibitive.

I am thinking of the firefighters who are going out on fund-raising programs, trying to raise money for the Jaws of Life. Very little assistance comes from Ontario, yet they are called out on any emergency along any provincial highway where this type of device is required to free injured persons in automobiles and so on.

Hon. Mr. Ramsay: It is 50 per cent, is it not?

Mr. Haggerty: I do not know. I have not heard that figure. I think they receive a certain portion for the cost of sending out the equipment.

Hon. Mr. Ramsay: No, they get a grant to buy it. The Solicitor General provides 50 per cent of the cost to the municipalities.

Mr. Haggerty: Maybe there has been a program. Is it continued today?

Hon. Mr. Ramsay: It happened very recently in my own community. Mr. Wildman is agreeing.

10:20 a.m.

Mr. Haggerty: I know in some cases there has been some assistance, but maybe smaller departments in rural communities are not even aware of it.

Mr. Wildman: Right now the Solicitor General is trying to get county and rural departments involved in that kind of operation.

Mr. Chairman: Rescue vehicles.

Mr. Haggerty: Well, there is a cost in that. You hit it right, Mr. Chairman; I think the funds they are raising are for equipment trucks in which to put the device; for emergency trucks on roads and highways. That is where the cost is. They may supply funding for the Jaws of Life, but not for the equipment itself.

You might say that when we provide ambulance services there is no cost to the municipalities. It is borne by the province. There is not much use having an ambulance if you do not have another rescue rig with the Jaws of Life to free the injured person. That is one of my main concerns. There should be some funding for the purchase of new turnout clothing, and so on.

Another area I am concerned about is the report of the Royal Commission on Matters of Health and Safety Arising from the Use of Asbestos in Ontario. We need some direction from the minister here. That report indicates there are some directions which the Ministry of

Labour and the Workers' Compensation Board should follow.

I will quote a portion of chapter 12, which deals with determining eligibility for compensation. It talks about the White Paper on the Workers' Compensation Act and the provisions of schedule 3.

Hon. Mr. Ramsay: I have a document, in the form of a progress report, on where we stand in responding to the study. I would be pleased to share that with you this afternoon. If anybody has it here, we could give it to you. It is a progress report on what we have done to implement the recommendations.

Mr. Haggerty: Without taking too much time, I want to make reference to the royal commission, recommendation 12.10 on page 709, without getting into the preamble.

"Section 122(9) of the Workers' Compensation Act should be amended so as to stipulate an irrebuttable presumption in favour of the claimant."

I was a little concerned about a letter I received from Dr. Stewart, the specialist on respiratory diseases at the WCB. Without going into detail—I should leave the letter with you—he quoted from the royal commission, the Dupré report, and he does not agree with anything said in it.

He sums it up: "There is impressive evidence that low-dose exposures to asbestos fail to affect the normal incidence of lung cancer within the lifetime of the average individual. There is no data produced either by the Dupré commission or the world symposium to indicate that synergism or multiplicative action between smoking and asbestos exist at low-dose asbestos exposures."

"Again I have reviewed the report sent to us by the occupational health branch and, as well, our own investigator's notes. In addition, I have noted the letter from the claimant...I am again struck by the fact that exposure to asbestos was revealed as if by accident. The claimant himself never mentioned it either in his letter or to our investigator." The following sentences are underlined: "I interpreted this as flowing from a relative infrequency use of asbestos. I have alluded to the relatively low cumulative exposure between 1952 and 1967."

The reason I quote that section is that there was one monitoring done in 1972, I believe, and the threshold limit value levels were well above what is provided for safety measures. One sampling was done in the period of about 15 years. I do not think it is acceptable for the doctor to draw a conclusion from that.

With the occupational health staff that you have, continuous monitoring related to hazardous material should be done in almost every industry. It should not be at six-month or one-year intervals, or whatever frequency may be in the guidelines set by the minister. It should be done more often.

The other area of concern relates to hazards of grain dust. There is not much monitoring that I know of. There may be monitoring in the Thunder Bay area within the confines of the elevators, but I am talking about persons who are employed on vessels on the Great Lakes. Sometimes dust levels there may be well above permitted levels.

I did mention, during one of the discussions on the Workers' Compensation Act, that I had the Ministry of the Environment test samples of grain taken from the Great Lakes. Two chemicals were found.

Hon. Mr. Ramsay: With respect, the Great Lakes is a federal responsibility.

Mr. Haggerty: I am well aware of that, but still the Workers' Compensation Act has to agree with the federal department.

Hon. Mr. Ramsay: That is correct.

Mr. Haggerty: Again I draw to your attention that very few inspections are made with regard to the material that is used.

I think, too, of the lack of direction from the ministry or the occupational health and safety division relating to mine fires in Ontario and the potential hazards in mines. The type of oil used in hydraulic equipment today is very flammable. I understand there may be studies in this area now that may bring modifications to the design or characteristics of the hydraulic oil used.

There is no doubt a great risk there. I do not know what area your ministry is involved in, or the studies or research you have done.

Hon. Mr. Ramsay: I will advise you later on that. We have done some. I will advise you when I respond overall to your questions and those of Mr. Wildman.

Mr. Haggerty: I do not want to take too much time here. We will get into some of the other discussions later, but those are areas I am concerned about.

I am also concerned about another area. I attended the special session held in Niagara Falls, New York, when the report on toxic waste in the Niagara River was handed down. The matter of chemicals being dumped into sites there and flowing into the Niagara River is a serious problem on the American side, but I wonder how

bad it is with regard to occupational health where men are employed in the chemical industries.

I think the minister is aware of the situation in the Niagara Peninsula where we have the highest cancer rate of any place found. Statistics will bear it out. I do not know in what area the minister's staff is looking into industries with regard to the work environment and what toxic chemicals are used in production in the Niagara Peninsula.

We had comments about Atlas Steels, one of the offenders dumping toxic liquid waste in the Welland River. But what about within the plant itself? I do not know what the ministry is doing in looking into the potential health risk that may yet be in some of the industries in the Niagara Peninsula.

10:30 a.m.

Many of the industries, through advanced technology, and some that phased out their operations, had caused concern for environmental issues outside the industry around the neighbourhood. What has the ministry done as a follow-up on some of these industries and the effect they have on workers' health?

I do not have to tell you about the problem at Inco, although it has receded over the years, but there is a latency period now surfacing for many workers in those occupational areas, particularly asbestos.

As Dr. Stewart said, the workers were not aware of the problems. At that time I do not think workers were aware of what materials they were handling. For example, asbestos was used as a filler in a paint factory in Fort Erie. The asbestos may have been used as a fireproof paint. This plant also used benzene and lead. As I say, I cannot buy the argument that people should have known the health hazards there.

I have said before to the minister, the worker has the right to know what materials or chemicals are being used in the industry, what effect long-term exposure will have on his health and what protective measures are in place.

There are many plants where there should be a respirator designed not to choke off the air supply when extra effort on the production line is required. Sometimes the old respirators were thrown aside because they did not supply enough oxygen to keep one going.

I hope the ministry is monitoring occupational health where known hazardous material is being used. It should be well documented. I would like to see good documentation done in hazardous areas so we do not have to get into more royal commissions as we did in the Royal Commission

on the Health and Safety of Workers in Mines or the Royal Commission on Matters of Health and Safety Arising from the Use of Asbestos in Ontario.

Normally, these issues are raised by members of the Legislature questioning the minister, the occupational health sector and even the WCB.

One of the problems with the Workers' Compensation Act related to occupational health is that many industries are closing the doors and shutting down plants. Many of them may be involved in toxic chemicals. All of a sudden, we have a rash of claims at the board. The businessmen are a little bit upset about it too, because their rates are increased.

For example, Johns-Manville pulled out its operation in Ontario. There is a risk there will be other claims to the board for asbestos poisoning but the plant is no longer in business here. Many plants are pulling up stakes and heading back to the United States. It is the rest of the industry that has to pick up that cost for compensation charges.

We also should be taking a look at industries pulling out of the country. Money should be set aside in case a claim develops at the WCB. There should be a reserve fund these industries should have to pay into so that new industries coming into operation in Ontario can draw from it.

The rates for the WCB are getting pretty high. In those areas there should be a surcharge on the industry, particularly on offshore plants, so there is protection and other industries in Ontario do not have to carry the full load of the cost of the WCB.

Mr. Wildman: Mr. Chairman, I commented last year that I enjoy this room. The minister must intentionally ensure that his estimates are held here so he can have views of the Agawa Canyon and the Montreal River to remind him of God's country.

Hon. Mr. Ramsay: The canyon is in your riding, though.

Mr. Wildman: Yes, it is.

I understand I can go through the matters I would like to raise and then the minister will be able to respond subsequently.

Hon. Mr. Ramsay: Probably later this afternoon, after I have responded to Mr. Mackenzie.

Mr. Wildman: I also want to say that unfortunately I was not able to be here for the minister's leadoff, but I have reviewed his comments regarding occupational health and safety. I want to respond to a lot of things that he addressed.

In his comments, the minister raises the issue my party has raised with him regarding the operation of the internal responsibility system as opposed to, or in conjunction with, enforcement by the ministry. He argues that since there are thousands of work places in Ontario, the successful operation of the Occupational Health and Safety Act and its regulations must be dependent upon co-operation between management and labour because there just are not and could not be enough people on staff for the ministry to operate a policing function in enforcing the act and ensuring it is enforced in all the work places of the province.

While I accept there are a large number and it would be very difficult for the ministry to have inspectors regularly in each work place, I think it is important for us to recognize that about 70 per cent of reported accidents on the job occur in about only 3,200 of the largest businesses in Ontario, which employ about 612,000 workers.

If we operate on the basis that we should be concerned with those work places in which there are large numbers of reported accidents, then in my view we could be doing a lot more and the ministry's occupational health and safety branch could be doing more to enforce the act and ensure that the proper actions are being taken by management to ensure the safety of the workers.

I want to deal briefly with the question of enforcement and I would like to use some examples. First, I would like to deal with the Saskia Post case at English Plastics Inc., which I raised with the minister in the House. He subsequently gave me a letter with a further explanation of the ministry's actions.

It is important for us to recognize that in this case the ministry received information from an interested relative about possible hazards. The minister has said, from time to time, if workers or people related to workers have a concern and they raise it with the ministry, it can act. On occasion when we have raised issues in the House the minister's response has been, "We did not receive any complaints, so that was one reason the ministry did not investigate." In this case, there was not exactly a complaint, but there was certainly a concern raised with the ministry by an interested relative of the Post baby about the possible hazards at English Plastics.

10:40 a.m.

In my view, the ministry failed to take adequate action as a result of the concerns that were raised. When the ministry officials did attend at English Plastics, subsequent to the ministry head office receiving the concern

expressed by the relative, they did not do any air monitoring. For the life of me, I do not understand that. They went into the plant and said to the management, "Do you have proper ventilation?" The management said: "Yes, it is naturally ventilated. We burn the plastics at 200 degrees, which is sufficient to ensure the safety of the workers."

It appears to me that the ministry inspector simply accepted management's position. There were toxic substances like polyvinyl chloride, styrene, acrylonitrile-butadiene-styrene copolymer, and solvents like methylene and benzene in the process. A concern was expressed that exposure to these substances may have produced birth defects. I do not think it is a very good example of enforcement to have an inspector go into a plant and ask management, "Do you have a problem?" and to accept it when management says, "No, we do not."

I have a copy of the inspection report by the ministry. It concludes that no significant amount of fume was noted on the day of the visit. Yet we know that no air monitoring was done. How on earth could you come to that kind of a conclusion without air monitoring? I realize the minister became concerned about this after it was raised in the press, and had his staff go into the plant, and then they did air monitoring. However, that was months later.

I believe the first complaint was in April or May. The air monitoring was done in November, and only after it had become a public issue.

As the minister said in his letter to me, I realize monitoring has been done and inspectors have been in the plant. The minister says no temperature measurements per se were obtained during the visit to the plant. I would like clarification on that point, to find out whether that was during the November visit or the previous visit in the spring.

Even with the inspections that have been done, I think we may be missing a very important thing. It is my understanding that the machines and the process to which Saskia Post was exposed have now been moved from the plant and to Brantford. Therefore, even if you are doing the air monitoring you should be doing—and should have done a long time ago—you are doing it in the wrong plant.

If you are going to do air monitoring for these substances, you should be doing it where the process is being used. That means in the Brantford plant where it is apparently now being done. If this is an example of increased enforcement by the ministry, we have a long way to go.

With regard to the internal responsibility system, obviously that system is dependent upon the successful operation of the joint health and safety committees in the work place. As the minister knows, it is five years since the act came into force and we still have problems even getting committees formed in many work places.

We have situations in which no committees are in existence, particularly in unorganized plants where workers are not advised of their rights. They do not know what their rights are. Even if they did and management was opposed to them exercising those rights, it is very unlikely they would. They do not have the protection of a collective bargaining agreement or a union that will ensure their rights are adhered to.

In many cases, we do not have any committees. In other cases there are committees, but their membership has been determined by management. I am talking about the worker representatives on the committee. Management has selected them, because it says in the act, "Worker representatives will be selected." They have been selected all right, but they have been selected by management.

In other situations where this is not the case, the situation arises of worker representatives who have attempted to get committees to meet, as it says in the act, "once every three months at least," and they do not meet. There have been situations in which workers have had to go to the Ministry of Labour and request that the ministry come in and persuade management to hold meetings.

I can think of a couple of examples in the Canadian Union of Public Employees in Windsor, for instance, where the Ministry of Labour had to go in at the request of Mr. Breschuk to ensure meetings were held when they should have been held, even after the union representative complained to management and said, "Look, you were supposed to have meetings and you are not having any."

We have had other situations in which there has been a particular immediate problem and the worker representatives on the committees have requested that a special meeting take place. Management has said, "We do not have to have a meeting; therefore we will not."

We continue to have problems with minutes of meetings, when the minutes do not necessarily represent what the workers think took place at the committee meeting. Perhaps they are controlled by the management representatives on the committee.

Now that teachers have finally been brought under the act, we have a particular problem with the formation of joint health and safety committees in the education sector.

We found in the past, when the support staff was under the act but the teachers were not specifically included, some boards of education had committees with their support staff. Others refused because they treated each school as a different work place and there was not enough support staff in each work place to require a committee.

CUPE has now expressed a real concern with the ministry as a result of the problems the union is having in forming committees that will adequately represent the concerns of the support staff and the teachers. I understand CUPE requested a meeting with the minister this week. They requested it some time ago. I think the minister wrote back indicating that since discussions were going on, he did not think a meeting would be useful or necessary at this time. I think it would be very useful and it is indeed necessary for the ministry to meet with Colin Lambert of CUPE to hear his concerns directly and determine a course of action to respond to these.

10:50 a.m.

It seems to me if we are still having all these problems with various committees—and in many cases where we do not even have committees—it is very unlikely that the internal responsibility system is going to operate in any kind of fashion. Obviously, that system is ideally dependent on the co-operation of both sides; management and labour both have to be determined to ensure that the system will work in their interests.

When you cannot even form a committee, or it does not meet, obviously the very essence of co-operation is missing. In those kinds of situations I think it is incumbent upon the ministry to check to find out how many work places have committees, how they are operating and, where there are not and there should be committees, to ensure they are formed and with workers who represent workers, not management.

I would like to know if the ministry has a list of work places where committees have been formed and a list of their membership, and whether it knows where there are problems with regard to their operation.

From time to time I have had discussions with the minister and also with the United Steelworkers of America and Algoma Steel Corp. with regard to the operation of the internal responsibility system there. What has been in

operation has been touted by some as being the example of co-operation between labour and management for industrial work places.

I do not have to go through the history of the very difficult economic times Algoma Steel and the community of Sault Ste. Marie are experiencing, but I thought it was particularly significant that in recent months, since those started, they not only seem to have affected the number of jobs at Algoma Steel but also the occupational health and safety program.

We have had a situation in which, as the minister knows, there was a work refusal involving one Wayne Jolicoeur. He was in a situation he believed to be hazardous. He exercised his right to refuse and, instead of having the matter investigated to determine whether this was indeed a hazardous situation and then acting on that information, the worker was sent home for the balance of his shift. If this is an example of the successful operation of the Occupational Health and Safety Act at Algoma Steel, I think we have some really serious problems.

I understand the next day the worker again exercised his right to refuse and management did take proper action. I also understand the union has filed a grievance in order to get the worker's pay back, and so on, and that is in process.

As a result, the ministry sent Mr. Basken in to meet with management and labour at Algoma Steel to try to get things back on the road, and I understand they had a good, useful meeting.

I would have thought, or hoped, that was the end of the situation but apparently it is not, because I am in receipt of two letters to the minister from Dennis Abernot, the vice-president of Local 2251 of the United Steelworkers, dated November 23. From talking to Mr. Abernot, I understand management at Algoma Steel was a little perturbed I had copies of these. I also understand Dennis was meeting with Mr. Basken again this morning to discuss them.

I would like to know the response of the minister to these two letters. In the first letter, Local 2251 of the United Steelworkers of America ask him when the ministry was going to initiate prosecution against Algoma Steel for violations of sections 23 and 24 of the Occupational Health and Safety Act. Obviously, they are referring to the situation where a worker was sent home when he exercised his rights under the act. The ministry and management apparently understand the supervisor involved violated the act in not responding correctly to that work refusal.

It appears from the correspondence I have had with the minister in this area there is a reluctance on the part of the ministry to prosecute when there has been a clear violation. In the past, there has been co-operation between management and labour on occupational health and safety matters and I hope there will be co-operation in the future.

I would hope this reluctance is not the case. If these two thrusts—co-operation, or the internal responsibility system, on the one hand, and enforcement on the other—are to be used effectively to ensure safety of workers, one cannot be used to the complete detriment of the other. At least, I understand this is the minister's position.

Frankly, I am more concerned about the other letter from the vice-president of Local 2251. This relates to a work refusal on August 30, some months after the first one I was referring to.

Mr. Garry Crossman, an inspector for the ministry, apparently investigated this work refusal. I have a copy of his report, in which he states, "The supervisor involved failed to carry out an investigation of the worker's refusal as specified in the legislation." Again, Local 2251 wants to know if the ministry is prepared to prosecute under section 23.

Frankly, I think this is more serious than the other one. The other one was the first instance. Subsequently, the ministry sent Mr. Basken in. Mr. Basken met with management and labour to talk about this.

I understand that line supervisors at Algoma Steel were notified, informed by management that this was improper and that they should not do this. When there is a work refusal, it is their duty to investigate it, to determine whether or not there is a violation, and it is certainly not their duty to take punitive action against a worker.

Some weeks after the meeting with Mr. Basken, we got a report from a ministry inspector saying that a work refusal was not treated seriously and was not investigated by management.

I would like to know the ministry's position with regard to enforcement and prosecution when there have been clear violations of the act, not only at Algoma Steel but also throughout the work force.

I would like to turn to the question of occupational health as it relates specifically to designated substances. In his leadoff, the minister noted those nine designated substances. He pointed to a number of other substances for which regulations are being drafted and to where notice is being given on others for designation.

11 a.m.

I welcome that thrust. I am concerned, and I am sure the minister is too, that we are making progress at a snail's pace. There are approximately 111 known carcinogens in the work place, and perhaps as many more suspected carcinogens. There are approximately 1,800 chemicals that may have an effect on reproductive systems.

If we include those that are designated now, and the ones other than noise which are up for draft regulations, where intent has been indicated, we are talking about a total of 17 or 18, which is a very small number considering the total we have to deal with. I am concerned about the time it is taking. If we continue at this rate, it is going to take us centuries to develop regulations for substances that are potentially harmful to workers in the work place.

I am interested in the concerns expressed by the Ontario Federation of Labour to the minister last February about the whole process. The OFL expressed concerns about the consultative process and the priority settings. It said they were not being done adequately. They were concerned about the right to know. I have a copy of the minister's response. The Ministry of Labour said they had experienced administrative and resource barriers to proper participation in the consultative process and they proposed what they considered a more comprehensive approach to regulating work place health hazards.

I understand the minister's response and I appreciate his supplying it to me when I requested it, but I am concerned. I know the minister is meeting and has met with us and with my colleague, the member for Sudbury East (Mr. Martel) with regard to the New Democratic Party task force report, *Not Yet Healthy, Not Yet Safe*. I would like to know what progress his staff is making as a result of the last meeting and what was proposed. Again, I would like to hear the minister's views on how we can speed up this process. I do not mean to speed it up so we are not doing it correctly. Obviously, we want to be certain about what we are doing, in the interests of both workers and business, but we just cannot continue at what I consider to be a very slow pace.

I have had some correspondence with the minister with regard to the designated-substances process and he has supplied me with extensive responses. I would like to refer to the letter the minister wrote on November 27, in response to a request I made for a list of the companies where

designated substances, ones that are presently designated, are in use.

The minister said "the designated-substances regulations do not require that employers notify the Ministry of Labour when a designated substance is either present, produced, processed, used, handled or stored in a work place in circumstances where a worker is likely to inhale, ingest or absorb the substance." Later on, the minister said that "while the Ministry of Labour is aware of the major users of designated substances, and most smaller users, there are undoubtedly some work sites in which the substances are used, that have, as yet, not been identified by ministry officials."

As a result, it was not possible for the minister to give me a full list. He did give me a list of the work sites known to the Ministry of Labour.

In response to a request I had made, the minister then indicated the industrial health and safety branch is moving to a computerized information system which would have lists of work places where assessments have been completed and control programs instituted. However, I do think it is very important that the ministry, in monitoring the progress made by companies, ensure the companies comply with the regulations by instituting control programs. If the ministry does not know all the work sites where these are in use, it seems to me it is missing the first step to ensuring that control programs are being instituted for the safety of workers.

I also asked if the ministry could supply me with the list of unions involved in work places where designated substances are used. I was particularly interested in finding out how many work places were not unionized. The minister indicated the computerized information system will be able to provide such information when it becomes operational—in February 1985, I believe.

The minister indicated he believes appropriate statistics are vital to the successful administration of the occupational health and safety programs, and he believes the computerized information system will be in place for designated substances and will provide his officials with a broader information base from which to monitor the implementation of these regulations.

I welcome that, but I want to go back to the first concern I raised. What is going to be done to ensure the computerized information base is not only broader but also full and complete? What is going to be done to ensure all work places where there are designated substances being used, handled, stored or produced will in fact be

reported to the ministry? If you are going to monitor compliance with the regulations, you obviously have to know that.

I have had some correspondence with the minister about isocyanates. As my colleague mentioned to me this morning, the disaster we have just witnessed in India is a terrible picture for all of us who are interested in occupational health and safety in our jurisdiction and elsewhere. While we have a system in place that appears to be effective in avoiding that kind of environmental and occupational health and safety disaster, I am concerned about the approach taken to the isocyanates regulation.

I wrote to the minister last spring regarding that regulation, particularly as it related to Inglis. I indicated to him that since the regulation recognizes some workers will be declared unfit to work with isocyanates by work place physicians, in my view the regulation left a lot to be desired. In response, the minister wrote to me and argued that the regulation was probably the best in North America.

He said: "The officials of the Ministry of Labour chose to adopt the exposure values recommended in the NIOSH document," referred to in the preceding paragraph. My officials inform me that at these exposure levels, and taking into account the employer's added obligation to reduce exposures to the lowest practical level, the great majority of individuals who work with isocyanates will not become sensitized."

11:10 a.m.

If that is correct, then obviously a minority will become sensitized and are sensitized. We have the list of the people who have been sensitized.

The minister then says: "The code for medical surveillance for isocyanates-exposed workers contains provisions that are designed to identify employees who are exhibiting early signs and symptoms of adverse health effects. I understand that removal of such workers from isocyanates-exposure environments might prevent or limit any further deterioration in health."

But then he says later: "I understand that some researchers believe exposure to concentrations of isocyanates as low as 0.001 ppm or lower may be sufficient to trigger reactions in some individuals. I am informed that the successful control of isocyanate exposures at these levels is probably unachievable on the basis of current technology."

I would like to deal with this in a little more detail. I am concerned about that approach because it basically says we are going to move

workers around. We cannot engineer out a hazard, so we are going to monitor workers medically, and when it appears they have been hurt by the work place, we will move them somewhere else. Of course we know the problem with that. When workers have become sensitized to isocyanates, what are they going to be able to work at? What are the regulations of the Workers' Compensation Act with regard to workers who are in this kind of situation? What are the obligations of the employer to workers who have worked in that process and have not only given of their time and labour but have given up their health for the employer?

I believe we must be doing all we can to engineer out the hazards rather than just simply monitoring workers and moving them around. In response to that, the Minister of Labour (Mr. Ramsay) indicated, "You also contend the Ministry of Labour should require companies that use isocyanates in parts of their plants to enclose and secure those areas, allowing sensitized employees to continue to work in other parts of the plants that are protected from exposure to the substance." That is a strategy I have advocated with regard to Inglis.

The minister argues, "Even if the foaming operation were enclosed this would not necessarily guarantee that sensitized workers employed in other parts of the plant could be assured of an isocyanate-free working environment."

I submit that even if that is the case, it does not mean we should not enclose. If what you are saying is accurate, then what you are saying is these workers who have been sensitized cannot work in this plant. So what becomes of them? Who is responsible? Who is going to ensure that these workers will be able to live productive lives and contribute to the livelihood of their families for the rest of what would normally be their working careers?

The minister does indicate, in response to my concerns about the Workers' Compensation Board, that "I am advised that many of these workers, particularly those with residual disabilities, may be eligible for Workers' Compensation Board rehabilitation and retraining programs." Then he says, "As I am sure you know, eligibility for such programs is determined by the board."

He indicated he was pursuing the matter of compensation benefits for the sensitized workers with the chairman of the board, and that Inglis was supposed to be finding suitable alternative employment for these workers. I would like to know what is happening with that. My informa-

tion is that the workers have not heard anything. They are still waiting to find out what is going to happen.

The minister does indicate, as a result of the recommendations of the Royal Commission on Matters of Health and Safety Arising from the Use of Asbestos in Ontario, that with regard to worker removal from potentially hazardous work environments, there may be a change in the regulations. That would affect not only asbestos workers but also those who work with other designated substances such as isocyanates. The regulations regarding those matters are under review.

I understand, as he indicated to my colleague, that the minister has a report on the progress of the asbestos-report review. I would be interested in that.

I would be particularly interested to know what effect this is going to have on regulations regarding the other designated substances, and what this will mean for workers like those at Inglis, who have become sensitized to isocyanates. These workers have been waiting. They still do not know what their future holds. If the minister's position is to be accepted, their future at Inglis does not look very bright.

Obviously, the workers would prefer to be able to continue to work, and to be able to work at a company where they have built up seniority and have contributed over the years. This means there must be attempts to ensure these workers can return to productive working lives at Inglis.

To say that "if we were to engineer"—that is, to enclose—"this might still not protect them," does not, in my view, say the company should be allowed off the hook in that regard. It does not mean the Ministry of Labour should not be going into Inglis and saying: "We are going to order you to enclose. Then we will monitor and see what the effect is on the other areas of the plant."

To say that it might not work, and that therefore we will not try it, is completely unacceptable to me. We have had situations in the past—and I am going to refer to a couple more—where engineering controls have not been used by the ministry when they would have been the much-preferred approach.

I emphasize that the workers at Inglis have waited long enough. I think it is time that the enclosures at Inglis were ordered by the ministry, and that we knew what is going to become of the sensitized workers.

I have indicated I will be interested in hearing the minister's response to the asbestos report and its recommendations. I will not go on at length

about those, except to raise one particular area of concern: Those workers who have contracted disease as a result of working with asbestos from brake shoes. I am referring specifically to the Bendix workers in Windsor.

11:20 a.m.

For me, the greatest disappointment of the royal commission's report was what it said about exposure to friction-related asbestos, and what that means for laryngeal cancer victims.

The commission took the position that exposure to asbestos and friction materials resulted in only marginal health risks. If the ministry accepts that, it means the widows of Hank Bednarick, Ed Rogers and Nelson Masse—and perhaps others who are still coming forward—who have died of laryngeal cancer, will probably not obtain compensation and justice.

I would hope the ministry is looking very carefully at the commission's position in that respect, and the situation at Bendix Heavy Vehicles Systems Inc. The studies on which that conclusion is based have been called into serious question by medical experts who have provided opinions to the United Auto Workers.

The minister has been made aware of Dr. Philip Landrigan's view. He is the director of hazardous evaluations for the National Institute for Occupational Safety and Health in the United States. He considered the Finkelstein and Kusiak study, which I believe was cited in a footnote in the commission's report, was so flawed it could not be interpreted, and had so little information no generalizations could be made from it.

When you have a respected expert such as Dr. Landrigan making a statement like that, it is completely unacceptable that we should be saying workers who have experienced exposure to asbestos from friction materials such as brake shoes, and contract cancer should not be eligible for compensation.

I will not go on at length about that, but I find it of very serious concern. The workers at Bendix, and the approach the company took to them—the way it skipped out of this country and left a heritage of industrial disease for the people of Windsor—is an example of the kind of corporate irresponsibility that should not be accepted by the Ministry of Labour and the provincial government.

With regard to one other of the designated substances, just as an aside, I would be interested to find out the status of compliance with the silica regulations by various mining and other companies that are using it, or wherever workers are exposed to silica. I would be particularly

interested in hearing about the progress at Algoma Steel and its ore division.

All these discussions regarding designated substances raise the question of what I consider manipulation of workers, as opposed to engineering controls. As I have said, our understanding of the act and its regulations is that they must be used; that engineering controls are preferable to simply having protective equipment or removing workers to another part of the work place where there is less, or no, exposure. Engineering controls, engineering out the hazards, are much more important and a more preferable way of operating.

In that regard, I would like to refer briefly to the Mack Canada Inc. situation and I would like to get an update from the minister as to what is happening there. As we have seen—it has been discussed in the House and in the press—spray painters at Mack Canada in Oakville were exposed to levels of lead fumes up to 21 times the legal limit. Considering that lead is known to damage the kidneys, blood, and reproductive and central nervous systems, this is a very serious situation. I am very concerned about the response the minister gave me in the Legislature.

I realize that since this has become a matter of public debate the Ministry of Labour has been at the Mack plant and has carried out a number of monitoring tests and so on. But the minister's response leads to a philosophical conclusion that is just not acceptable in this day and age.

We were talking about ambient lead levels and about these very high lead levels. I do not think I am being unfair if I characterize the minister's response as going back to the body-count approach. He basically said the blood lead levels were not elevated to an extent that indicates there is a serious problem. We are moving away from looking at ambient lead levels to looking at exactly what is happening in the workers' bodies. That is just not acceptable. We know that prior to blood lead levels being elevated to what would be considered unacceptable levels, there may be serious damage to other organs from exposure to lead.

Again, this is an example of how long it is taking companies to comply with the regulations on the few substances that have been designated. The lead regulation was to be complied with by November 1981, but when the ministry finally got around to ordering Mack Canada to comply, it was April 1982. As the minister knows, in response to that order, Mack had the Industrial Accident Prevention Association do a study which declared there were no serious lead

exposures. Mack then wrote up an assessment document saying things were fine, and appended that IAPA study, and the ministry accepted that.

The thing wrong with the IAPA study was that, in its assessment, it had not done any testing for lead in the air. How on earth can you comply with a lead regulation if you have not tested for lead? When the local union raised that with the ministry and requested the ministry to conduct lead tests, the ministry refused.

Eventually, when the company called in another firm to do the study, in February 1984—I realize there was a layoff in the interim, and so on—they did, in fact, find these alarming lead-paint exposure levels, which were seven times the short-term exposure limits.

11:30 a.m.

That was raised again by the local union with the ministry. The local said it wanted to have this engineered out. The ministry suggested they should put their concerns in the minutes of the next committee meeting and next time the ministry inspector was in he would notice it in the minutes. That was not an adequate response.

When the ministry finally agreed this was not an adequate response and gave the company a two-month deadline to come up with control measures, the control measures apparently acceptable to the ministry and to the minister were respirators. Even at that, they were not adequate respirators; they were not ones that would do the job.

The ministry subsequently required that more adequate respirators be used, but the minister indicated in his response to me that he considered respirators to be an engineering control. How on earth can you accept that as an engineering control? In our view, respirators are an interim response to a hazard. You use the respirators, the protective equipment, to protect the workers from the hazard until you have engineered out the hazard. You do not say, "Respirators are adequate controls."

We have seen the attitude at Mack Canada. Mack tried to blackmail the union and talked about loss of jobs if it kept pushing for engineering controls. The ministry eventually did go in and check the air velocity in one of the paint booths, found there were high levels, but agreed there was good, adequate ventilation. Subsequently, they apparently ordered ventilation in one of the paint booths, but for some reason the paint booth for which they chose to order the ventilation was the one that had the lowest level.

I just do not understand the ministry's approach in this case. It is an indication that there is no real desire to ensure that companies comply with the regulations and that workers are properly protected.

I will leave that, because I know I am taking some time. I want to go to a number of other things that were raised in the minister's leadoff.

I am particularly concerned—as the minister is, I am sure, because of the area of the province we come from—about the mining regulations and underground safety. We have seen the tragedy with the rockbursts at Falconbridge and the subsequent rockbursts at Inco. We know the recommendations of the Joint Federal-Provincial Inquiry Commission into Safety in Mines and Mining Plants in Ontario are about three years old, and many of them still have not been implemented.

I understand the minister met with representatives of Local 6500 of the Sudbury Mine, Mill and Smelter Workers Union to discuss the Burkett Commission recommendations. Is that correct? I would like to know what the response to that is. I realize there has been a committee set up to study the whole question of mine safety, particularly with regard to rockbursts.

I would like to make some comments on that, but before I do, I would like to find out what action is being taken with regard to the inquest recommendations that came down last week on the Falconbridge disaster.

One of the jury recommendations was that a system of miner-inspectors be implemented along the lines of the system negotiated by the United Steelworkers of America with Rio Algom Ltd. and Denison Mines in Elliot Lake. I believe that system is a very successful and useful one.

There have been problems with it, getting it in operation and so on, but it certainly is one I commend to the ministry. I would hope the ministry is going to consider very carefully whether or not that recommendation of the inquest jury is going to be implemented, not only at Falconbridge but at other mining operations across Ontario.

I would like to know what progress the ministry is making in studying that inquest jury's recommendations and I would like to find out when we can expect a response from the ministry, particularly with regard to the proposal for miner-inspectors.

I understand the committee that has been looking into the safety of underground mining as a result of the tragedy at Falconbridge has suggested it needs more information about rock

mechanics and rockbursts. They are considering getting information from experts in South Africa. While I am certainly interested in getting as much expert information as possible from wherever it is available, I would hope, if we are going to go to South Africa for that kind of expert information, we will not just be talking to management.

We all know the kind of labour situation they have in the mines in South Africa. I would hope that committee will also be requested and will decide to consult the representatives of the mine unions. I am talking about the black unions in South Africa as well.

I think it is important for us to look at some of the figures with regard to South Africa. In 1983, a total of 831 miners died in accidents in South African mines. Between 1972 and 1982, 8,209 mine workers were killed in gold, coal and other mines in South Africa.

Mr. Mackenzie: That makes you question the expertise of the—

Mr. Wildman: According to a technical adviser for the South African chamber of mines, half of all the fatalities I have referred to were caused by rockbursts and other falls of ground. Some of it could be loose, of course.

I question the priority that management in South African mining operations puts on worker safety. We know the pay scales and the working conditions of black workers in South Africa. I wonder whether those are indications of a sincere concern on behalf of management for worker safety in mining operations there.

It is interesting to note the figures on deaths per 1,000 workers in mines in South Africa. In 1970 and 1971, it was 1.16. I do not have the 1972 figure. In 1973, it was 1.11; in 1974, 1.09; in 1975, 1.22; in 1976, 1.21; in 1977, 1.27. That is an appalling record.

Hon. Mr. Ramsay: Excuse me, I really should not be interjecting, but it is not the ministry that is suggesting that.

Mr. Wildman: No, I understand, it is the committee.

Hon. Mr. Ramsay: It is the committee, and the committee is bipartite by nature. I am sure the union representatives will address the concerns you have.

11:40 a.m.

Mr. Wildman: The committee minutes of October 25 state, "Many studies have been made worldwide and a few locations—for example, South Africa—have a great deal to offer us." As I said in my preface, I realize many studies have been done in South Africa and I am interested in

gathering expertise wherever it is available if it is going to mean safer conditions in Ontario.

I also understand the union representatives on that committee have expressed some concern about getting information only from management, and that is why I am emphasizing that the committee should also consult with the union.

It is important for us to realize that in South Africa, workers have no say in safety procedures. Their unions have no legal right to intervene on their behalf on safety matters. With the recent strike in South Africa, we have seen that some mine managements even question the right of the unions to negotiate on behalf of their workers.

Hon. Mr. Ramsay: There is just one little bit of information that you might not be aware of. I just learned this in the last few months from meeting with the various mining groups, unions and so on. Apparently, when Falconbridge and Inco held their own inquiries, they brought rockburst experts or engineers from the United States—

Mr. Wildman: Yes, they did, and one from Rand mines in South Africa.

Hon. Mr. Ramsay:—and so on, because these persons are considered to be experts in their field. Up until that time, I had no idea whatsoever that this was the case. I think that is why they are suggesting further studies with respect to South Africa.

Mr. Wildman: I do not question the importance of mining to the economy of South Africa, and the experience they have had. They probably do have experts, and I understand that a Mr. D. Ortlepp, a rock mechanics engineer at Rand mines, and Dr. S. Spottiswoode, from the same company, were brought into Sudbury after the rockburst to look at the situation. I am not questioning their expertise. I am concerned that we should also hear the other side, in regard to safety.

Hon. Mr. Ramsay: I agree with that.

Mr. Wildman: According to the workers' compensation commission in South Africa, an average of 300,000 accidents occurs each year. These result in 2,000 deaths and 30,000 permanent disabilities. Interestingly enough, more than 90 per cent of the deaths in South African coal mines are officially blamed on "acts of God." I suppose we have a vengeful God in South Africa.

I would hope the results at Falconbridge will ensure the same sequence of events does not happen again at that company and at other mining companies.

There were concerns raised and warnings by experienced miners about conditions in a particular part of the working area. Experienced miners said they would not work there and, as a result, the workers who were in the immediate area of the rockburst were inexperienced miners. I would hope this does not happen again and that warnings expressed by experienced miners about rock conditions do not go unheeded. If that was the case at Falconbridge, I hope it never happens again.

I understand that in testimony at the inquest, Falconbridge said rockbursts and unstable rock conditions are a fact of life at its operations. If they are, I hope there are very serious efforts made to ensure that when concerns are raised by experienced miners they are paid attention to.

I would like to get information from the minister with regard to the progress of what used to be called the Barrett committee. I realize Mr. Barrett is no longer chairman of the mining legislative review committee. I understand this is a bipartite operation—tripartite, I guess—but you will forgive me if I am a little impatient with the operation of the Barrett committee.

I think we are again moving very slowly in responding to proposed changes in regulations, many of which have resulted from coroners' inquests. I think the committee does the best it can; it meets as often as it can. Logistically, however, it is a big problem.

Hon. Mr. Ramsay: Rather than come back to this, I think I can answer that very quickly. I share those concerns and that is no reflection on Mr. Barrett.

Mr. Wildman: No, I did not mean it that way.

Hon. Mr. Ramsay: I know you did not, because Mr. Barrett has done a tremendous job. He has come back after heart attacks and everything else and has been terribly devoted to it. The new chairman is Mr. Paul Hess. There was a reason for appointing him.

Mr. Wildman: Because of his legal expertise.

Hon. Mr. Ramsay: His legal expertise and his expertise in writing legislation and regulations. That is what he has excelled in over the years and he is highly respected and regarded in that matter. We understand the problem you are bringing forward and we are trying to take steps to address it.

Mr. Wildman: In a letter to me dated September 4, the minister said: "I am informed that a subcommittee will report back to the mining legislative review committee during the committee's next meeting which has been

tentatively scheduled for October 23 and 24, 1984."

That was with regard to roll bars for rollover protection. I would like to know exactly what has happened with that. What has the committee decided, and are we proceeding in that area? Also, what is happening with the question of ventilation doors?

I would like to move now to a matter highlighted in the minister's leadoff. Frankly, I am happy to see it was highlighted. It is the protection and development of regulations for window cleaners, particularly in large urban centres like Toronto. In his leadoff, the minister said he hoped to have regulations by the end of this year.

He indicated the ministry had hired an expert with experience in the field, who would be responsible for inspections. I would like to know who that expert is, what experience he has and what is going to happen with that? I am in no way suggesting he is not expert; I just do not know who he is.

Hon. Mr. Ramsay: That question was asked the first day by Mr. Mancini. We got the information and read it into the record.

Mr. Wildman: All right, I will look at that.

Hon. Mr. Ramsay: Fine.

Mr. Wildman: I would also like to know if we can get a copy of the coroner's inquest recommendations into the death of Mr. D'Andrade who died falling from a building here in the Metro area July 31, 1984. Considering the small number of workers involved, there have been a lot of deaths in this area. It is a very dangerous occupation and one that must be regulated. We must act.

I am also concerned in that regard with three areas. The first is a view the ministry has that somehow this kind of operation, window cleaning, is very similar to other kinds of operations in the construction industry. I would submit they are very different. Second, I am concerned about the number of repeat orders that have been issued. Have there been many repeat orders issued to companies in this field and, although we do not have specific regulations yet, how many prosecutions have been brought against companies in this field for not properly protecting workers under the act?

11:50 a.m.

Third, what progress is being made in developing retrofitting for buildings? It seems one of the problems we have in this area is that roofs are not properly fitted when buildings are

constructed to properly anchor the bosun's chair if the window cleaner is going to be hanging from the roof as he descends the building.

Also, what kind of lockout procedures are going to be instituted in the regulations. Why can we not develop retrofitting, particularly on new buildings but also older buildings, to ensure that when someone is hanging from a building there is something he can lock on to so he is not swinging in the wind?

We have had not only a number of deaths in that area, we have had a number of near misses and situations in which the general public has been endangered because things have been falling from buildings as well.

I will not proceed at any great length about this other area. I referred to the coroner's inquest into Mr. D'Andrade's death. I know the minister's position with regard to mandatory inquests in work place deaths, but I think it is obvious, as he has said, that this is under the jurisdiction of the Solicitor General (Mr. G. W. Taylor).

The Solicitor General has to make a decision. It is obvious from his response in the House on October 26 that he does not understand this issue. I want to know how long it is going to take for the Minister of Labour to persuade the Solicitor General to change his position. I do not seem to be able to do it so I am hoping the minister can.

Hon. Mr. Ramsay: I would say about the same length of time some of my colleagues have spent trying to persuade me to change my mind on certain things, and I have not done so.

Mr. Wildman: The problem is the things about which they may be trying to persuade you to change your mind are what you are able to implement. I hope if it means protecting the safety of workers you are not going to change your mind. However, in this case, when I said I wanted mandatory inquests the Solicitor General responded:

"I would submit it is not necessary, nor has it been in the past nor will it be in the future, to have an argument or a fight by a family to have inquests by any of the coroners or by me. Indeed, I think the opposite is the case. Inquests are held very expeditiously."

That is just not the case in many work place deaths. It is a ridiculous statement. Then he says:

"I would like to bring to the honourable member's attention that if we were looking at just some of the examples—I do not say this in a light way—when one calls for mandatory inquests for all workers, one could then have inquests out of each and every automobile accident in which workers are involved."

That is a ridiculous comment. Obviously we are talking about deaths in the work place, not worker deaths. The Solicitor General takes our request for mandatory inquests into worker deaths to mean that wherever someone designated a worker dies there would have to be an inquest. That is a red herring and a ridiculous argument and an indication the Solicitor General does not understand the issue.

Hon. Mr. Ramsay: In addition to my personal contact with the Solicitor General through correspondence and meetings, there have also been meetings at the staff level between my ministry and the Solicitor General's.

Mr. Wildman: I am glad to hear that, because obviously the Solicitor General is taking the advice of the chief coroner. My impression is the chief coroner does not believe mandatory inquests are needed or desirable and he even questions whether we should continue to have them in all mining deaths. He would like to go backwards rather than forwards.

This raises another issue that is of concern to me, about the division of jurisdiction between this ministry, which is responsible for the health and safety of workers, and others that have responsibility for various aspects related to health and safety.

We have talked about inquests. With regard to the protection of workers' health, there sometimes appear to be grey areas as to whether the Ministry of Labour or the Ministry of Environment is responsible for protecting people from exposure to hazardous substances. I bring to the minister's attention the fact that I raised a concern about exposure of agricultural workers to a number of fungicides at a winery at St. Davids, Ontario, last summer.

These fungicides included captan, sevin, roval and folpet, all of which are toxic substances. Captan, for instance, is a mutagen and a suspected teratogen and a carcinogen. These workers, many of whom were part-time summer employees, raised concern with the ministry that these fungicides were being applied when they were as close as 35 feet away. They also were concerned that they were being stored unmarked in an area beside the employees' lunchroom.

I raised this question in the Legislature with the Minister of the Environment (Mr. Brandt) because he is responsible for the Pesticides Act and regulations. In his response, he indicated there was a question of who was responsible and that is why the ministry did not respond to the concern expressed by the workers. He said he

thought the occupational health and safety branch of the Ministry of Labour was responsible when the workers were inside a building, but the Ministry of Environment was responsible when they were outside.

If what the workers have said about the storage of the fungicides and about being sprayed when they were this close is accurate, the company was violating regulation 751 under the Pesticides Act, which requires that there be a greater distance, that workers be warned, that there be warnings where the substances are stored and that they be clearly marked and not anywhere near food for humans—and they were near the lunchroom.

I subsequently wrote to the Minister of Labour because I wanted to know whether he agreed with the interpretation that the Ministry of the Environment is responsible for enforcing the Pesticides Act when the workers are outside, but the Ministry of Labour is responsible for enforcing the act as it relates to the safety of workers when the workers are inside. That is a very strange interpretation.

This also relates to matters I have raised with the minister regarding exposure to polychlorinated biphenyls being stored in a work place storage area for which workers are responsible and from which there has been possible PCB contamination resulting from leaks.

We have had two situations in Windsor. I raised one of them with the Ministry of the Environment, which finally did respond and rectify the situation. More recently, in a November 12 letter to the Minister of Labour, I wrote about a matter raised by Mac McCann of Local 1178 of the United Food and Commercial Workers requesting an investigation of PCB contamination at the Windsor branch of Canadian Cannerys. I raise this now with the Minister of Labour because of the response I got from the Minister of the Environment on the other issue. This is inside a building, so I guess the Ministry of Labour is responsible.

I would like to close off by making some comments about the whole issue of the right to know. I know the minister has indicated there is a committee looking at this issue as it relates to trade secrets and has expressed the hope that the committee will be able to come up with recommendations. I want to emphasize that in our view workers must have the information about all the substances being used in the work place, their possible health effects and the types of measures that should be taken to ensure they

are not exposed to toxic substances. The argument on trade secrets just does not hold any water.

12 noon

We have had too many situations in Ontario in which not only the workers do not know but often management does not know what is actually being used and what the possible effects are. That has led the Environment critic for our party and me to introduce a resolution in the House on the right to know in which we have indicated that workers and community residents must be given information on hazardous substances. They must know when hazardous chemicals are being manufactured, stored, used or disposed of in their neighbourhoods and work places.

We believe companies must file hazardous substances disclosure forms with the Ministry of Labour, listing the nature and quantities of hazardous chemicals used by firms. There must be material safety data sheets for each substance, containing information on the nature of the substance; potential health hazards, both acute and chronic; necessary precautionary or protective measures; and what action to take in the case of accidents or spills.

We believe ministry and other government inspectors must be allowed to inspect these premises at least once every three years to ensure that companies are using the chemicals they have reported, that they are carrying out the safety measures required and that workers and residents in the neighbourhood have been informed about potential hazards.

I am not suggesting we could ever suffer the kind of situation that happened in India recently, but we certainly want to avoid it.

I emphasize that everyone must have access to hazardous substances information, to the disclosure forms and to the material safety data sheets filed with the ministry, to enable individuals or groups to protect themselves. I hope the ministry will move very quickly to institute this kind of right-to-know legislation in this province. The old arguments about trade secrets do not make any sense. Today, a good chemist can get hold of a substance, analyse it and know what is in it.

In his closing remarks on health and safety, the minister mentioned lottery funding. I hope the minister is considering lottery funding for the Workers' Occupational Health and Safety Clinic in Windsor. This is the first service of its kind in Canada that is prepared to give information and assistance to workers on possible hazards in the work place.

Management has the opportunity, the expertise and the resources to obtain information of this kind. Workers must also have access to independent expertise, particularly when we are dealing with the often controversial issue of designated substances and hazardous chemicals in the work place.

Although I do not think it has received a request, I would also like the ministry to consider funding for the Workers' Occupational Health and Safety Clinic in Hamilton. I am sure the current staffing arrangements at this clinic will not influence the ministry with regard to providing this kind of assistance.

This party places a high priority on occupational health and safety. This was demonstrated by my colleague, the member formerly responsible for occupational health and safety, the member for Sudbury East (Mr. Martel), and by my own extensive travel in relation to this issue.

We intend to keep pressuring for increased safety and health legislation and its enforcement in this province. We believe this is a matter of the utmost priority. Despite the current economic concerns facing many companies in this province, it is important for us to recognize we cannot put a price tag on a person's life or health.

We also cannot accept arguments that the economic situation is not right to implement proper health and safety regulations. Historically, capital has never seen the time to be right to spend money on health and safety. We can go right back to the horrendous times we have all read about and studied in the Industrial Revolution in Britain. The time was not right to take children out of mines, it was too expensive; the time was not right to shorten working hours underground.

The time is never right, as far as capital is concerned, if it costs money. The time is always right if you are concerned with the occupational health and safety of workers.

Mr. Mackenzie: Mr. Chairman, I will be very brief because my colleague has covered our position exceedingly well with the examples that are necessary. I wanted to underline a couple of points he made, ask a question and raise an additional one that is a newly developing issue with a number of workers in the area of health and safety.

First, I would like to underline the mandatory inquests. I do not think I visit my old alma mater, the United Steelworkers of America union hall in Hamilton on a single occasion when the health and safety committee of that local does not ask me where the authorities—I told them it is the

Solicitor General—currently stand. I take the minister at his word that he is doing his best to convince his colleagues; but there are examples of requests from family and otherwise, as you know, where there were not inquests held, and the Steelworkers have laid them out for me.

It is essential that the minister organize whatever support he needs. I cannot understand the position within cabinet that causes the split, and I just think it is essential we deal with the question of mandatory inquests in work place fatalities. The kind of answer my colleague read into the record indicates there is some fuzzy thinking on somebody's part on this issue.

The isocyanates issue has been interesting. I do not mean to make light of anything in this issue, but I can tell the minister that, according to the workers at Inglis, we now are up to 16 or 17 cases of confirmed or strongly suspected sensitization to isocyanates. I did get a little jolt when I realized what had happened in the city of Bhopal in India during the past couple of days.

The workers in that place wanted that operation enclosed, and I still am not convinced from talking to them and looking at the plant that this could not have been done. I just cannot understand why that was not ordered.

An interesting little sideline, and one that has to do with the lighter vein of it, is that what happens to workers in a case like that is a politicization you would be amazed to see. It is interesting. They all carry their little air packs or nose sprays and what not. One or two of them have had rather serious attacks. One took place at a local A and P supermarket, I think, because of some work they had done on the floor while he was in there shopping that had some correlation to the sensitization he had suffered as a result of the isocyanates in the Inglis plant in Hamilton.

I can tell the minister of at least two who had never been involved politically in any way before, as far as I can tell and from their own comments, who turned out to be two of the best canvassers we had in the last federal election and who are currently working in the provincial election. It is a hell of a way to have to get your people, but the fight they have had in trying to get things like the closing of that operation has been an eye-opener to them, and it has certainly had a very definite public and political effect on some of the workers who were themselves the victims in that plant.

Much as I am a partisan and want to see us make some gains, I hope like hell we do not do it through the use of people who have become

totally discouraged with the system and the answers they get within their plants.

The other area I want to raise with the minister is a question that has been brought to me with some force by the Amalgamated Transit Union here in Toronto, where the drivers of both the buses and the streetcars are beginning to make a major issue out of the white line immediately behind the driver's seat.

12:10 p.m.

There were changes in the Highway Traffic Act that required bus and streetcar drivers to look to the right, left and ahead, of course, when they are pulling out. Many of the transit systems in the province have a white line in their vehicles and require passengers to stand behind that. That is not the case in Toronto, which is why I moved a private member's bill just last week in the House, of which the minister may or may not be aware.

One of their workers was charged because a woman was crushed here in Toronto some time ago. He was not convicted, but the drivers in Toronto tell me that, during rush hours, the inspectors are almost shoe-horning people in. They do not have any control over that. They will get a load on the bus or the streetcar that takes the people up beyond the driver.

As I say, there is no regulation here in Toronto that requires this. It seems to me a straightforward safety matter. The union is asking for that. They wrote to the Minister of Transportation and Communications (Mr. Snow). I would be unfair if I did not have the letter in front of me. I have it here because I hope to ask a question on it very shortly in the House.

I was a little appalled at the response of the Minister of Transportation and Communications. If you summarized his comments in a letter of a page and a half, he pointed out the cost that would be involved in additional streetcars or buses in the rush hours when inspectors are shovelling people into the transit cars. He also made the comment that he was sure the drivers would urge people to move to the back of the bus. He literally said those things but not in a nasty way necessarily. These were observations that were made, but he did not attack the problem of there being no requirement with respect to the transit vehicles here in the city of Toronto.

I have now had two meetings with Charlie Johnson and some of his people over this matter. I know they have written a follow-up letter to the minister and, as I say, I have moved a private member's bill and will be raising a question in the House. It seems to me it does come under your jurisdiction and is something you should be

taking a look at. I find it appalling that in most provincial transit systems that applies, but it does not apply in the city of Toronto.

I do know the kind of crowding you get on the vehicles. As a matter of fact, my legislative assistant wrote a note on it after I had asked for the bill to be drafted and had attached the response from the Minister of Transportation and Communications. Her terse comment was, "Obviously, Mr. Snow has not ridden on the transit system in Toronto in the rush hours."

That is a very late-breaking issue that I think does have some importance. The union's concern in Toronto is that it cannot adequately meet the recent Highway Traffic Act amendments that say they have to look right, left and so on when they are pulling out if they have a bus or a trolley that is loaded up to the front door. They do not have much control over the inspectors on the streets who are urging the people in when they are trying to meet the rush hour traffic.

I ask the minister to add that to the list of items he is taking at look at as safety and health matters, over and above whatever may be the requirement or responsibility of the Minister of Transportation and Communications.

Hon. Mr. Ramsay: You have raised an interesting point, Mr. Mackenzie. Last Friday I was standing in the lobby of the Orthopaedic and Arthritic Hospital on Wellesley Street waiting to be picked up, around 5:30 or six o'clock at night, and I observed the buses coming out of the Wellesley subway station immediately across the street. I remember commenting to the person with me that the extra loading was unbelievable. They were squeezed in there in a manner I had never observed before.

During last Wednesday's debate a number of questions concerning the ministry's programs and policies were raised. It is obvious that both members devoted considerable time and effort to the preparation of their remarks. While our views may differ, it is always a useful exercise to consider and respond to informed questioning.

At the opening of this debate, I spoke for approximately five hours, reviewing the different ministry programs and recent initiatives. I intend to be extremely brief in my reply today to afford other members of the committee the opportunity to ask any questions they may have.

Mr. Haggerty: May I interject at this time, Mr. Chairman? I want to know how brief the minister is going to be, because he took five hours before.

Mr. Chairman: What do you have, 22 pages?

Hon. Mr. Ramsay: Yes, and some of them are only quarter pages. I will be about 20 minutes.

Mr. Haggerty: That is a good hour.

Hon. Mr. Ramsay: No, 20 minutes; a minute a page.

Mr. Haggerty: You told me that the last time.

Hon. Mr. Ramsay: This time, you time me. It is a quarter after 12 now; I will be 20 minutes.

For this reason, I will refrain from repeating remarks in my opening statement and will concentrate on the broad issues of policy that were raised last Wednesday. In the interest of brevity, I have purposely not dealt with individual collective bargaining disputes or plant closure situations. Many of these matters have been the subject of correspondence or discussion in the House, and to the extent that changes have occurred, I would be pleased to communicate with any member of the committee at a later date. I will now turn to the questions.

Last Wednesday, Mr. Mackenzie spoke of the assault on the rights of workers and trade unions which he perceives is occurring in Ontario and called for legislative change to equalize bargaining power between employers and unions.

There is no dispute that the economic difficulties of the recent past have created strains and pressures at the bargaining table, nor would I suggest there are not some employers who may have sought to undermine the union's position during this period of monetary weakness. However, I do not share Mr. Mackenzie's perception that the rights of unions and workers are under siege across the province.

The vast majority of the collective bargaining relationships in Ontario are characterized by mutual respect for the legitimate role and objectives of both the employer and trade union parties. This is not to say their relationships are without conflict, for in our adversarial system, disputes clearly are inevitable as each of the parties endeavours to realize its own self-interest.

None the less, I believe we have an enviable industrial relations climate in this province, particularly when one considers the polarization and conflict that seem so prevalent in other jurisdictions in this country.

Encouraging an improved dialogue between labour and management is at the forefront of the Ministry of Labour's agenda. I believe we have achieved considerable success in assisting parties to redeem troubled bargaining relationships through our preventive mediation program. On a wider scale, the ministry has helped senior

representatives of labour and management to open the lines of communication in a number of different industrial sectors.

What I find particularly impressive about these initiatives and others in which the ministry is involved is the sincere desire on the part of both labour and management to find more effective ways of communicating and of resolving common problems.

It is my view that in the minority of cases where employers have sought to interfere with or subvert trade union activity, effective relief is available under the Labour Relations Act.

Mr. Mackenzie has submitted that the remedial authority of the board should be supplemented with a prohibition against hiring replacement workers during a strike or a lockout. This would represent a fundamental change in collective bargaining relations in the province and would be a departure from the existing state of the law in most jurisdictions across this continent.

I would suggest those who believe a prohibition against the hiring of replacement workers is a solution to industrial conflict should look closely at the experience in Quebec. Since the enactment of Quebec legislation, there has been a significant increase in the number of strikes per year as well as in the average number of man-days lost in each strike.

Mr. Mackenzie asked whether I was considering an amendment that would weaken the effect of subsection 1(4) of the Labour Relations Act.

Over the past year and a half, I have met with and received representations from a great number of contractors and union officials on the subject of subsection 1(4) of the Labour Relations Act. I am, of course, concerned about the competitive difficulties which unionized contractors are experiencing in the province. I think it is obvious the success of the unionized sector in bidding for available work is as much in the interest of the unionized tradesmen as of contractors.

I have been extremely reluctant to consider changes to the Labour Relations Act which would weaken a system of collective bargaining which, by and large, I believe has operated extremely effectively over the years.

12:20 p.m.

Mr. Mackenzie indicated he was present for my remarks to the Provincial Building and Construction Trades Council of Ontario in October. During my remarks I clearly stated that I believed an outright repeal of subsection 1(4) of the act would be a regressive measure.

I also reiterated my confidence in the flexibility of the province-wide bargaining system. I

advised delegates that I did not intend to recommend or support any initiatives that would weaken this system. I am continuing to consider all reasonable alternatives. I believe this to be my mandate, subject to the qualifications I have expressed.

Mr. Mackenzie asked if I was prepared to increase the minimum wage. As you are aware, the general minimum wage has been increased twice this year; a combined increase totalling 50 cents or 14.3 per cent. This brings the minimum wage level to \$4 per hour. In announcing these increases, I noted this scale of increase represented a reasonable balance between the need to assist minimum-wage earners in order that they may keep pace with the cost of living, and the equally urgent need to maintain employment opportunities by ensuring that increases in the minimum wage do not have a detrimental effect on employment levels.

In the light of these concerns, and the fact that the second increase came into force only on October 1, 1984, I do not think a further revision in the general minimum wage would be appropriate at this time. I draw your attention to the fact that Ontario's minimum wage is not out of line with those rates in other Canadian jurisdictions.

A few days ago, the Deputy Premier and Minister responsible for Women's Issues (Mr. Welch) and I announced an increase in the minimum wage for household domestics to \$4 per hour. This revision eliminates the 50-cent differential that previously existed between the general minimum wage and the domestics' rate.

In addition to this minimum wage increase, which comes into effect on March 1, 1985, household domestics will be entitled to improved overtime benefits. In the case of live-in domestics, compensation at time and a half will be required for hours worked during a weekly rest period. If time off is not given, payment will be mandatory at time and a half the minimum wage rate. In the case of live-out domestics, this entitlement to premium pay will apply to work in excess of 44 hours per week.

Last week the member for Hamilton East (Mr. Mackenzie) expressed concerns relating to technological change in industry and its effects on employment in Ontario. He produced figures that predicted a substantial fall in the province's relative share of manufacturing employment during the next decade, largely as the result of the introduction of new production techniques.

First, it should be noted that employment levels in the high-technology industries grew twice as quickly as those in the manufacturing

sector during the 1970s. We must keep in mind that workers are needed to produce the goods and services used by the high-technology sector itself.

It should also be noted that low-wage, less-developed countries using standardized low-technology production methods are making serious inroads into the markets traditionally held by the industrialized nations. Only by adopting advanced cost-reducing technologies can our established industries combine to compete. Failure to do so would further erode our competitive position and employment situation.

I also take issue with the member's alarm at the relative decline in importance of employment in the manufacturing sector. This decline has been taking place for some time, along with the growth in service-sector employment. In other words, while the composition of the employment picture may be experiencing significant changes, the total stock of jobs may be remaining static, or even growing. Nevertheless, rapid change in employment patterns may cause destabilization and hardship in the short run. Therefore, it is important to predict the impact of new technologies on the job market.

As the member knows, the Ontario task force on employment and technology was established precisely for the purpose of giving policy makers, retraining personnel and counsellors as much information as possible about technological innovations and their potential impact. Additionally, joint federal-provincial initiatives are under way to develop high-demand job skills and to retrain workers, particularly older workers, who are threatened by displacement as a result of technological change.

Mr. Mackenzie also criticized this government for failing to amend severance pay legislation to reduce the service requirement to one year, to remove the 50-employee requirement, and to extend protection to circumstances of business reduction.

The rationale for restricting severance payments to employees with five or more years' service reflects the fact that the basic purpose of such payments is to provide compensation and recognition to those employees who have shown a commitment to and made a contribution to their employer over a long period of time, to recompense them for attendant job-related losses; for example, seniority rights, pension rights, job security, etc.

It is difficult to argue that employees with only one year's service have demonstrated a strong attachment to one employer and have, by loss of

the job, incurred substantial losses of job-related rights and benefits.

Rather, it was felt that five years is an equitable point to set as the boundary for long-term job attachment, since fully 50 per cent of all employees have job tenure in excess of that figure. Additionally, the cost of such payments to all employees with more than one year of service could not be borne by many employers in the province.

The 50-employee requirement is consistent with the notice of mass termination provision of the Employment Standards Act. Regulation 286 provides that upward of eight weeks' notice is necessary where 50 or more persons are laid off. Also, the select committee on plant shutdowns and employee adjustment recommended that severance pay be limited to situations where 50 or more employees were terminated. This limitation is based on the fact that smaller employers could not stand the cost burden of severance pay for all laid-off employees.

Concerning the extension of severance pay to situations of business reductions as well as to complete or partial closures, fear has been expressed that imposition of severance pay on reduced operations caused by cyclical downturns in sales or a difficult competitive position, could jeopardize the viability of many such enterprises. Accordingly, severance pay is triggered by complete or partial closures, the permanent job losses that have generated the most public concern.

Any extension of severance pay to layoffs of any size, as suggested by Mr. Mackenzie, would impose an overwhelming monitoring and enforcement burden on the government, not to mention an onerous cost burden on employers. Because of seniority arrangements, indefinite layoffs due to reduced operations tend to affect less senior employees who would not, in most situations, have accumulated extensive benefits with the employer to be eligible for severance pay.

I would also like to note that Ontario is one of only three jurisdictions in North America having severance pay legislation in force.

Finally, as I said yesterday in the House, the question of possible amendments to this legislation is being explored. While I do not wish to give the impression that change is imminent, I want to assure Mr. Mackenzie of my commitment to ensure that workers are protected as fully as possible.

He pointed to the low recovery by workers of severance pay. A prime reason for this shortfall is

the insolvency of many employers at the time of severance. This leads me to my response to the member's six questions concerning Mr. Brown's Commission of Inquiry into Wage Protection.

Perhaps that might be a good spot for me to leave it, or would you like me to continue?

Mr. Chairman: You might as well continue; then we will have it all on the record. You do not have much more.

Hon. Mr. Ramsay: No, I do not have much more.

Mr. Mackenzie: As long as it is only five or 10 minutes; I have an appointment.

Hon. Mr. Ramsay: It is no more than that.

Concerning the tabling of his economic research, in his December 31, 1983, letter accompanying his interim report to me, Mr. Brown indicated this economic research has progressed to the stage of conducting a survey of bankruptcy trustees and it has reached the point where additional sampling is to be done "requiring even greater co-operation from the trustees and their clients." It was not indicated that the economic research had been completed by last December. I expect, however, that when the final report is issued, the pertinent economic research will be appended.

Concerning legal research, I am informed that research has been undertaken and completed on legislation and practice respecting wage protection in 22 countries. Also, constitutional constraints to various solutions to the problem have been explored for Ontario, and the operative legislation and procedure for various types of insolvencies in Ontario have been reviewed. These analyses form an integral part of Mr. Brown's report and will not be tabled prior to the release of the report.

12:30 p.m.

With respect to the tabling of the interim report, this document was prepared last December in the wake of considerable uncertainty as to federal intentions. At that time, there was a very real possibility that federal legislation to preempt provincial action was forthcoming. Mr. Brown's interim report was therefore an attempt to consolidate work done up to that point. No conclusions were reached sufficient to justify the tabling of the report at that time. However, I am happy to share copies of the report with any members who wish to have it.

Concerning the cost of the commission, total disbursements to date have been \$60,000. Mr. Brown is paid at the rate of \$110 per hour for his services. He expects to complete his report early

in the new year and it is fully expected the report will be tabled. Until Mr. Brown reports his conclusions, it would be premature for me to comment on the nature of legislative reform necessary in this sphere.

Concerning benefits for part-time workers, the member asked me to report on the proclamation of Bill 54, which amended the Public Service Superannuation Act to permit pension plan and other benefit coverage of regular part-time employees of the Ontario Public Service; and on the minister's "plans to lobby employers' groups on the question of benefits for part-time workers."

To answer the first question, Bill 54 has not been proclaimed pending receipt of an arbitrator's decision on what constitutes a "regular part-time worker" in the Ontario Public Service.

On the second question, I will be consulting with, not "lobbying," all groups with an interest in compensation equity for regular part-time workers. Again the definition of "regular part-time worker" must be addressed. I, too, am aware of both the absolute increase in part-time jobs and the serious increase in the proportion of involuntary part-time workers between 1981 and 1983.

I have already begun raising the issue with business groups. For example, at a breakfast meeting last month I alerted the Round Table Club to the need for informed public discussion on the question of the restructuring of full-time jobs in order to avoid pay and benefits commitments, as opposed to maintaining flexible schedules to meet the needs of both employees and employers vis-à-vis peaks of business activity.

I share the concern about any transformation of full-time jobs into part-time jobs which might be induced inadvertently by present administrative or legislative policies. My officials are currently analysing data on characteristics of part-time and full-time workers to predict the likely impact of changing current administrative and legislative policies on employment.

We can then continue the consultation with the employer and employee communities using well-documented arguments for any changes needed in this area of employment, to ensure as much income equity and job security as possible for both part-time and full-time workers.

The member commented extensively on the current unemployment situation in Ontario, questioned the government's policies and solicited my views on a variety of unemployment related issues, including financial support for

unemployment insurance exhaustees, measures to alleviate the plight of older workers who have been laid off and steps to encourage reduced working time.

Before commenting on each of these issues, perhaps I might be permitted a few general observations on unemployment problems. The member discussed his concerns regarding the present level of unemployment in the province and the future implications of new technology for employment creation. His comments and suggestions dealt with both short-term responses to immediate problems and a longer-term employment strategy.

The unemployment rate in Ontario on a seasonally adjusted basis is currently 8.9 per cent, compared with the national rate of 11.3 per cent. The provincial figure has generally been on a downward trend since late 1982 in the depths of the recession. While this evidence of improvement is gratifying, I would agree with the member that unemployment levels are still much higher than either of us would wish to see. Where we are likely to differ, however, is on how this shared objective can best be brought about.

In my view, the solution to our present unemployment difficulties must remain the creation of an economic, political and social climate that encourages investment and is conducive to economic growth. These are necessary prerequisites for creating a more buoyant labour market.

Pursuit of this general objective can usually be supplemented by direct job creation measures, an approach that is reflected in the employment policies put forward in the most recent budget statement of the Treasurer.

On the issue of unemployment insurance exhaustees, I note that a recently published Canada Employment and Immigration Commission survey provides some evidence that the difficulties faced by such workers may have diminished to some extent as the labour market situation has improved; however, I concede that the number of exhaustees has remained at disturbingly high levels.

The approach adopted by this government, in preference to the bridging support suggested by the member, has been oriented towards enhancing job opportunities through focused employment creation programs.

A particular target group within this process has been older workers, about which the member expressed special concerns, and about which he implied the government has done little to assist.

I would like to refer the member to the recent budget highlights to illustrate this government's commitment in that regard. I am referring to the budget initiative which provided \$600 million for job creation and training. In particular, there is the creation of a \$150-million Ontario skills fund to assist experienced workers to adapt to economic transition by providing opportunities for retraining and skills upgrading.

This government recognizes that older workers experiencing unemployment as a result of economic change face a distinct and serious set of problems. It is for this reason that a \$2,000 per worker incentive will be provided to encourage employers to hire and retrain older workers who have been laid off. This provision assists them to acquire marketable skills to improve their employability.

A further initiative which this government has taken to assist the unemployed is to provide financial support to unemployed help centres run by trade unions. These centres meet certain needs of laid-off workers by providing them with important counselling advice and support.

I would like to point out there are a number of programs that provide opportunities for adult workers to retrain and upgrade their skills. For example, under the national institutional training program, unemployed adults may be referred for training to attain higher skill levels and thereby improve their employability and earning capacity. Training in business and industry is another such program providing upgrading and training to workers, with an emphasis on averting layoffs through expanded retraining of threatened employees.

The other two proposals to which the member drew particular attention concern an early retirement plan for older workers and reduced working time for others. On the former issue, the member put forward a detailed proposal for establishment of a fund, to be financed by a payroll levy on all employers, out of which early retirement pension benefits or supplements would be paid.

I have some questions in my own mind as to the quantification of the costs of such a scheme, and some reservations regarding the potential adverse impact of the necessary payroll levies on job creation in the private sector.

I do not believe that measures which would have the effect of significantly increasing unit labour costs can possess much potential for employment expansion in the short term. Quite frankly, tempting as both the early retirement and reduced working time proposals appear to be at first sight as job creation measures, without

wishing to pre-empt the conclusions of the various studies now under way, I suspect that a more realistic appraisal of their value would be within the context of longer-term strategies aimed at coping with the employment implications of new technology.

There is little doubt in my mind that innovative approaches to the working time issue, whether related to daily, weekly, annual or lifetime hours of work, will prove both necessary and desirable over the next decade or so. However, I believe that to reach maximum potential for achieving one of the prime objectives, the alleviation of unemployment, their introduction must be phased in so as to avoid placing undue upward pressure on costs of production. Otherwise, I fear the effort is likely to prove counterproductive.

I would like to conclude my remarks by again thanking the honourable members for their comments, and I look forward to further ques-

tions or comments members of the committee may have.

Mr. Mackenzie: Does the minister have a copy of that he is prepared to give us?

Hon. Mr. Ramsay: Sure.

Mr. Chairman: Can we give it out after we recess?

Hon. Mr. Ramsay: Do we know what votes we would like to address this afternoon, so we can have the appropriate people here?

Mr. Mackenzie: You obviously are going to have to go through them all this afternoon.

Hon. Mr. Ramsay: Okay, we will have the necessary people here.

Mr. Chairman: Okay, we will adjourn until 1:30. That is what we agreed on this morning.

The committee recessed at 12:39 p.m.

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No. G-15

Hansard

Official Report of Debates

Legislative Assembly of Ontario

Standing Committee on General Government
Estimates, Ministry of Labour

Fourth Session, 32nd Parliament
Wednesday, December 5, 1984
Afternoon Sitting



Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, December 5, 1984

The committee met at 1:36 p.m. in committee room 1.

ESTIMATES, MINISTRY OF LABOUR (concluded)

Mr. Chairman: I call the committee to order. There is a representative from each party here; we will carry on. We have two hours and 30 minutes remaining; so we will be pretty well done by 4:05 p.m.

Hon. Mr. Ramsay: Let us say 3:30 p.m., then, for occupational health and safety.

Mr. Chairman: Okay. Would you like to do some of the votes up to where you want to—

Mr. Haggerty: I thought the minister had a statement.

Hon. Mr. Ramsay: Yes, that is going to be at 3:30 p.m.

Mr. Haggerty: Oh? I thought we could get in some questions on it now.

Hon. Mr. Ramsay: That is going to be in the response to the occupational health and safety matters.

On vote 2401, ministry administration program; item 1, main office:

Mr. Mackenzie: Mr. Chairman, in his response to some of the things I raised with him, the minister made a comment about the move toward shorter hours. As he was doing that, I could not help but circle a small piece the minister may have seen in the United Steelworkers' paper, the Union Builder. It reports a small step but I think a step in the right direction. The article talks about the metalworkers' breakthrough on the 40-hour week in Germany. It simply says:

"The 40-hour week in Europe is now in the dustbin of industrial history. That was the verdict following the settlement of the German metalworkers' strike, the hardest-fought dispute in the Federal Republic of Germany since 1945.

"The German metal industry will begin working a 38.5-hour week next April. Workers will get a pay raise at the same time despite the employer's call for a reduction in working time to be offset by pay cuts. The settlement also limits overtime to 20 hours per month. Hans Mayr, president of IG Metall and the IMF, said that the

settlement meant that the way to the 35-hour week was now open.

"The strike lasted seven weeks, and although only some 60,000 IG Metall members were called out on strike, a further 400,000 were either locked out or laid off. Automobile production in West Germany halted, costing auto companies some DM10 billion. The union paid DM500 million in strike pay."

I use that simply as an example, because that was the core of the entire labour dispute. It is recognized in one of the major industrial nations of the world that they have to work towards the shorter work week. I am virtually certain that settlement will probably start the pattern there and lead to the continuation of that fight. I note also the very definite move in terms of the limitation of overtime.

I am simply saying there are examples there, and we are not particularly leading the field in this area.

Hon. Mr. Ramsay: I would like to see that article.

Mr. Mackenzie: It is a small piece in the back of the Union Builder. I am sure you have got it.

Hon. Mr. Ramsay: Oh I have it, yes.

Mr. Mackenzie: I just noticed it. I knew there had been a settlement. I was not sure of the details.

The other thing which could come under the first vote, 2401, is that you made some comments about the growth in jobs in the service sector. I remind you this is the one area that this and other governments have done their darnedest to cut back in the past couple of years.

You also made a comment on the number of jobs created by high technology. I remind you of an interesting thing we learned in our task force from just about every group we talked to. I believe I mentioned the one particularly interesting session of two and a half or three hours with 13 professors at the University of Waterloo, some of them in engineering or the sciences; they told us, as did Dr. Frosst at the McMaster University centre, that people were wrong to think the future and large numbers of jobs were in the new technology industry. I think that is the case.

I think you project a slightly false sense when you argue that a lot of the future lies there. It is true with respect to companies being able to compete. However, I suspect we are going to have to consider whether there is much validity in maintaining some of the sourcing and manufacturing of various products in this country. It is something your ministry has to examine.

I have a brief piece here that our research people just did on a recent announcement in Hamilton. It is very welcome that Dofasco is going ahead—both Dofasco and Stelco simply had to, in terms of their basic steel operation—with a major overhaul for continuous casting. The interesting thing, though, is that they are spending \$600 million on this improvement, and other than the 1500 man-hours of work for a couple of years in construction, the total number of new jobs created is about 100. That works out at something like \$6 million a job.

That underlines some of the things I was trying to say in terms of the heavy industrial and manufacturing sectors. It is desperately needed but is not likely to be a lot of help to the future of employment. I think it is more important and needs more attention than we can give it with the single committee we now have taking a look at what this kind of future means in terms of work.

I wonder whether the minister has any comment to make.

Hon. Mr. Ramsay: I think the dialogue we have had is very worth while, and I do not disagree with the comments you have just made. I think there will be a breakthrough.

You talk about Dofasco, and we are waiting with bated breath, hoping Algoma Steel will make a similar type of announcement within the next month about finishing the expansion of the tube mill, which would be roughly in that same area, probably better than \$300 million. However, the situation is a little better there. They have already spent about \$300 million. The end result will be about 500 additional jobs; so we will have the construction jobs plus the ongoing jobs. There again, you need a good economy to have those 500 additional jobs because otherwise the people are on layoffs.

Mr. Mackenzie: The whole question of income and the extent to which jobs are dependent on consumers' ability to buy is what worries me in terms of part-time work and the general pattern of lowering wages.

I do not know the details—the minister may have them—but my office tells me there is an announcement in the Hamilton papers this morning of a further layoff at Stelco, taking the

seniority back a number of years again, which is certainly a backward step if that is correct. I did not have time to get the information. It is of some concern. I cannot say any more than that now.

Item 1 agreed to.

Item 2 agreed to.

On item 3, supply and office services:

Mr. Haggerty: The amount for supply and office services has been increased by a couple of hundred thousand dollars, I believe. What are we looking at in terms of "supply and office services"? Are we looking at the purchase of special monitoring equipment?

Hon. Mr. Ramsay: We have Mrs. Burak here, who is the executive director of the finance and administration division; she will be able to respond to that.

Mrs. Burak: The supply and office services item includes the staff at head office who are in charge of the mail room. It includes three purchasing staff. It also includes the support staff in the ministry's district offices in all the regions.

If you are looking at the biggest increase, it is in salaries and wages. I can explain that if you want me to.

Mr. Haggerty: As long as it is within the five per cent I guess we do not need an explanation.

Mrs. Burak: It is caused by a transfer of staff from some of the line programs into this vote so they could be supervised by our staff.

Mr. Haggerty: Are there any consultants hired in this area? Do you have to go outside for special consultant services?

Mrs. Burak: Not in this area, no.

Mr. Haggerty: Are there any consultants?

Mrs. Burak: No.

Mr. Haggerty: Is there any area of concern in the minister's complete estimates where consultants come in to do a special project?

Mrs. Burak: As we go through them, we will find a number of the items do have some funds set aside for consulting under the services line, but not under this particular item.

Mr. Haggerty: Which vote would we find them in? I ask so we can be aware of them when they come up.

Hon. Mr. Ramsay: It would be several different votes, Mr. Haggerty.

Mr. Haggerty: Could we get into that now without going back and looking through the other areas?

Hon. Mr. Ramsay: We will be coming to them if you want to raise it as we come to them.

Mr. Haggerty: I am just looking. Where are they hidden in here? That is what I want to know.

Hon. Mr. Ramsay: They are not hidden. We will tell you.

Mr. Haggerty: They are in there, but they are hidden to me. I cannot pick them out.

Hon. Mr. Ramsay: We will pick them out for you as we go along.

Mr. Haggerty: Okay.

Item 3 agreed to.

Item 4 agreed to.

Item 5, information services?

Mr. Haggerty: On information services, I am sure the minister is carrying on a practice he has had for a number of years. I suppose information services relates to producing pamphlets for persons to review in the labour market, and I suppose the minister is sending out details of some of his new programs, which may be of some interest to unions, individuals, corporations or whatever.

Mr. Mackenzie: It also tells us what a wonderful job they are doing.

Mr. Haggerty: That is right. The point is, although many of the members have constituency offices, we seem to be lacking any of that information, particularly if it relates to other languages. I am talking about Italian and a number of other languages.

Hon. Mr. Ramsay: We are doing quite a bit in that field. On the first day of estimates I tabled a new folder that was in several languages. I believe it was our prosecution policy—not the prosecution policy but related to charges under the act.

Mrs. Burak: There are a number of publications from the Ontario Human Rights Commission and the employment standards branch that have been translated into several languages.

Mr. Haggerty: It would be great if, as in other ministries, they sent a number of those out to the constituency offices for the members so they would be available there for the many people coming into our offices.

Hon. Mr. Ramsay: We would love to do that. We really would.

Mr. Haggerty: Well, I have not seen any.

Hon. Mr. Ramsay: As I say, we would love to do it. Mrs. Burak is making a note of it and we will do it. If you promise to read it, we will send it to you.

Mr. Haggerty: I have people come in who can read it. They can come in and pick it up.

How many languages do you cover on a particular program? At one time you used to have a thick booklet on almost every phase of your ministry.

Hon. Mr. Ramsay: It all depends on which booklet it is.

Mrs. Burak: It would vary depending on the publication, but we will be sure you have a complete set of everything we have.

Mr. Haggerty: Not just one but several of any pamphlets you have so we can spread the gospel around.

Hon. Mr. Ramsay: In response to your question, Mr. Haggerty, could I also refer you to the answers to the questions Mr. Mancini had posed earlier. I answered those in detail last week. They referred to information services, the size of our department and so on.

Mr. Haggerty: How long are you going to be working on this? I am sure Mr. Mancini will be waiting for it.

Hon. Mr. Ramsay: No, I gave it to you. It has already been read into the record. It was read into the record last week.

Mr. Haggerty: This document?

Hon. Mr. Ramsay: No, it was last week.

Mr. Haggerty: He will probably pick it out of the record again.

1:50 p.m.

Hon. Mr. Ramsay: Yes, but what I am saying is that some of your questions have been answered.

Item 5 agreed to.

Item 6, analysis and planning?

Mr. Mackenzie: May I ask why there is a substantial increase in the budget for analysis and planning? What is entailed in that?

Mrs. Burak: There has been a significant change in the analysis and planning item. I would like to take a minute to go into this in a bit of detail.

The research branch, which was decentralized in 1983-84, was formerly accounted for under this item. The staff resources were decentralized, some to industrial relations, some to employment standards and some to various other activities. What was left was a small core group of policy people which we augmented with a few more policy staff, some of whom were given to us this year by the Management Board of Cabinet.

The bulk of the increase obviously, in the change from the 1983-84 restated estimates to the 1984-85 estimates, is in salaries and wages, and

that is a reflection of that additional staff in the policy branch.

Mr. Mackenzie: Which section would cover any expenses that are involved, both with the current committee you have set up in terms of technological change and any future efforts? This is an area where we are woefully inadequate in terms of taking a look at the future. Would that come under policy analysis?

Mrs. Burak: The bulk of the expenditures for the task force on employment technology will be under the Ontario Manpower Commission vote. However, there is some staff support for that under this item.

Item 6 agreed to.

Item 7, legal services?

Mr. Mackenzie: Who has replaced Paul Hess?

Mrs. Burak: Mr. Carl F. Dombeck is the new director of legal services.

Hon. Mr. Ramsay: Paul is remaining with us for a year as a special assistant to the deputy; he is chairing the Mining Legislative Review Committee, and there is one other committee that he will be chairing.

Item 7 agreed to.

Items 8 and 9 agreed to.

Vote 2401 agreed to.

Mr. Mackenzie: We could deduct the parliamentary assistant's salary from it.

On vote 2402, industrial relations program; item 1, program administration:

Mr. Mackenzie: I have a couple of questions I want to ask here. I was not sure where to put the first one but I think it can legitimately go under industrial relations.

I spent some time in the opening statement dealing with my concern about the kind of attack many workers and unions are under, for example, whether it is Radio Shack or some of the other plants. There is one I did not use. It has just surfaced and I am sure the minister is aware of it. I know he has rejected the argument that other than in a few cases we really have a problem. I do not think it is accurate given the current circumstances, and I draw his attention to the current dispute at Eaton's.

I strongly suggest to the minister that having not been able to prevent the organization—and that has not been an easy nut to crack in terms of workers' right to organize; there has been a long history, as the minister is well aware. I recall the very first campaign, in which Lynn Williams, the current director of the United Steelworkers, was

very much involved, the first effort to organize Eaton's workers. I know what they went through. I know the two years that fight involved and the intensity of the company opposition.

We now have a situation where, for a lot of reasons, and I think some of them are the moves to part-time we talked about, some of them the lack of any more confidence in management by an awful lot of the workers in that operation, we have the workers organizing in some of the major Eaton's stores.

It is also obvious that what we have—because they are new at it and because they are in a difficult position, being the kind of people who do not normally have to go on strike but forced to strike—is a company that is really not intending to negotiate. They have not stopped the battle to keep the union out of there. That is exactly what is at stake in that situation.

I do not know what the minister intends to do, other than possibly telling us once again the normal course of procedure is going on, and there is nothing he can do. I submit to you that this is part of the case I was trying to make earlier. That kind of answer is simply not good enough.

As far as I am concerned, you have a deliberate effort, just as you had in the Radio Shack and the Orenstein and Koppel strikes, and a number of the cases we raised with you here. Workers were successful. They cannot stop them from organizing, but they are damned if they are going to give them a negotiated contract, and that forces them out.

Do we have to launch a nationwide boycott there to begin to get justice, as we may have to at Radio Shack or in some other situations?

I would be interested in how the minister explains what is going on in the Eaton's situation, because it is pretty obvious. It is not that you have a wild bunch of militants in those workers. You have a bunch of workers who suddenly realized that they had nothing in the way of protection, guarantees or what have you.

They had the guts. It was not easy to organize. Now the attitude is, "If we cannot keep them from organizing"—and, once again I am asking what the preamble in the Labour Relations Act means—"we are going to make damn sure they do not get a contract."

The minister may or may not agree that it is part and parcel of what we were talking about earlier. However, I think it is another classic example of the kind of opposition ordinary workers in this province are running into with regard to their efforts to organize and negotiate free collective agreements.

Hon. Mr. Ramsay: The reason the deputy minister and the assistant deputy minister for industrial relations are not here at this time is that they have been in a meeting since about 12:25 with respect to that particular work stoppage, and two other very troublesome ones now going on in Ontario.

Every effort is being made to resolve these problems. Special efforts are being made at this time in order to accomplish just that.

Mr. Mackenzie: I appreciate that, and I know, given your mandate and the deputy ministers' mandate, that you could do nothing else.

There is one point which I am hoping will register even to some small extent with the minister and this ministry. It is part of a broader fundamental problem we have now with regard to workers' rights and their ability to take advantage of the right to organize in this province.

I think it is going to take more than just responding. However hard you may respond to the individual cases, which seem to come thick and fast, it is going to take a major effort to look at what is wrong. If you just accept there is no real assault on workers' rights in this province, then I suppose there is nothing else you can do.

I submit to the minister it is a little more serious than that. That is basically the point I want to get through. I have no argument with commending him for trying to move in cases where we have these situations. The fact is, however, there are just too many of them. Too many of them are too serious, and too many of them deal with the most basic, fundamental rights of workers in too many cases.

Item 1 agreed to.

On item 2, conciliation and mediation services:

2 p.m.

Mr. Haggerty: I just wanted to raise one question with the minister. It deals with the parochial matter of the strike at Horton CBI in Port Erie.

Every time I have talked to the minister about it he has sent his staff in there to try to get the matter resolved. However, that strike is now going into its 10th month. In the early part of February it will be a year since they went out on strike.

There seems to be no concern over getting the matter resolved by the two parties. I am concerned that the strike would be able to continue for this length of time without putting

on some pressure to get them back to the bargaining table. I know efforts have been made by the ministry's conciliation and mediation service, but it is a lengthy strike and I am concerned they may not put their plant into production again.

It is an American-based firm and they are subletting their contracts here, I have been told. I do not know how factual that is, but I understand they are letting out contract work. They buy the steel here, it is shipped to the United States where it is fabricated and brought back to Canada. As long as this is permitted, I do not think the firm has any intention of settling the strike, as it should.

Hon. Mr. Ramsay: Mr. Haggerty, your timing was perfect because Mr. Ray Illing, the director of our conciliation and mediation service, who has been personally involved in getting the parties together, is here. Perhaps Mr. Illing, if you move to the head of the table, you could bring Mr. Haggerty up to date. Mr. Haggerty, if you would just give him your concerns very briefly?

Mr. Haggerty: He probably heard them. He can bring me up to date on it. Is there any hope of it ever being settled?

Mr. Illing: I would have to answer that question by saying we always consider there is hope. We never really give up ourselves. If one of the parties abandons it, that is something else, but we have an ongoing effort to assist in the resolution of that dispute and we will continue.

The last meeting held with the mediator, Mr. Romain Verheyen, did not produce any positive results, I am afraid. We have a company that seems to be willing at this time to operate in the best manner it can without the Steelworkers' employees. Certainly they have shown no indication.

As the minister just said, I was involved in the session in which we made terrific progress in the sense that the company said very emphatically it cannot continue to operate with the Steelworkers' co-operative wage study system. That is a very difficult thing for the Steelworkers to give up; nevertheless, they did at the session I called in St. Catharines.

Then the employer found a number of other things he was completely hard-nosed on. The membership voted on the offer that day and rejected it. In the last meeting I referred to under Mr. Verheyen, we also went back to the membership for a vote and it was also rejected.

The final answer to your question is of course we will continue. As you know, we have one,

Shaw-Almex Industries Ltd., which has been on our books now for 17 months. I have just convened a meeting of that one for next week.

So we will not give up. We continue to try to do what we can to help the parties resolve their differences, but this is a particularly tough one, Mr. Haggerty.

Mr. Mackenzie: Regarding the same labour dispute, Mr. Illing will know that in relatively good times the CWS, co-operative wage study program, is even lauded by management because it is a method of establishing rates and responsibilities for jobs in the plant. It is something almost every union works towards in one manner or another. So I think you get a clear indication.

This underlines the position I am taking. To me that is pretty basic and fundamental. I would have one hell of a job, as a staff representative, giving up the CWS program. The union has gone that route and the company comes back with other arguments. You begin to wonder at that stage if they are using the current climate and times just to say, "We are going to get rid of these people," as is happening in a number of cases. In which case, do you have honest collective bargaining?

It is very difficult in some of those cases to find grounds to go to the Ontario Labour Relations Board, but it is a clear indication of a management that has decided—the number of months alone are an indication of it—they are not going to have a union. I do not think I am too far wrong.

Mr. Illing: Mr. Mackenzie, recognizing the mediation position, we have to at all times protect our impartiality. Nevertheless, I have great difficulty in taking issue with you on that assertion. There is no doubt we are dealing with a company that decided, in the case of the co-operative wage study—I thought perhaps they had a valid point when they said there was nothing co-operative about it, that they had not had the co-operation of the United Steelworkers in the matter of job evaluation, that they exercise it as a right to veto.

Following the recalls suggested later, we have great difficulty in disagreeing with you that the other matters and obstacles the company has put in the way of settlement are pretty tough to overcome and tough to understand. Certainly, the matter of denying recall rights to a number of former employees in a small community like Fort Erie is something else the Steelworkers are finding extremely difficult to come to grips with. They have to live in that community and they cannot abandon the rights of certain of their members and employees of that establishment.

On the other hand, the collective agreement had provided for an 18-month retention of seniority rights for recall purposes, and the company maintains that period has elapsed, and, therefore, they do not have an obligation to call back some employees.

It is a toughie. We will keep on it. There may come a time when the company is ready and wants to operate.

An inconsistency coming out of that meeting, Mr. Haggerty, was the fact that, as I understand it from the mediator, the company gave them an ultimatum that if, by a certain date in this month, they had not agreed to the settlement terms, then they would feel free to hire other people and operate their plant. The inconsistency is that they maintain there is not very much work. It is pretty hard to find compatibility between those two statements: one, "There is not much work; we do not need people;" and the other, "If you do not agree, we are going to hire other people."

We will convene another meeting in a short period of time, in the next week or two perhaps, and have another crack at it.

Mr. Mackenzie: I am wondering if Mr. Illing could comment on the Almex situation which was raised. I notice in regard to some of these individual strike situations the minister did not specifically respond to them. I do not know whether he intends to do so or not. I raised the Almex strike and the difficulties there as well, the length of time those workers have been out, and the difficulty even in maintaining a picket line. We have had a number of problems with the police on the access roads. We have had any number of problems in that situation.

I do not know where we are going with it, but I am convinced it is another case of workers being shown the door by whatever method the company can come up with.

Mr. Illing: Yes, in that instance we have a company that has taken a strike, and have hired other people during the course of the 16 months. It would be ridiculous to state they are terribly keen to settle the matter and sign an agreement, I suppose.

They are represented by counsel. I have had some dealings over the years with this counsel and have prevailed upon him to bring his client to another meeting with me on the 11th, which is Tuesday. I am still not terribly optimistic, but we are going to do what we can.

The Steelworkers in that case intend to be very realistic about the settlement terms. Maybe my pessimism will prove to be unfounded. Maybe we will finally put it together. I certainly hope so.

It is complicated by the fact the company has been taken before the labour relations board on a couple of occasions, even on meetings that I called away from the bargaining table sessions. This is causing the company's counsel to approach the meeting on Tuesday with some reservations about whether they are going to be taken to the board on new charges, as implied in the letter from their representative, their counsel before the board.

I am sure we are going to overcome that, and I intend to turn that away from the bargaining table meeting on Tuesday as quickly as I can into a full mediation session. If that is possible we will have another crack at it.

Mr. Mackenzie: There are one or two other cases I want to raise. I raise these simply to underline my side of the argument that we had over the inequality of bargaining and over the fact that as long as they can replace the workers as easily as they are allowed to in this province, one does not have a hell of a lot of clout.

2:10 p.m.

I wonder if I could raise briefly the Orenstein and Koppel case in Dundas. That is Local 1740. I do not know whether the minister has looked at that or not. Without doing it properly, I simply point out that this strike of members of Local 1740, International Association of Machinists and Aerospace Workers, started on July 2, 1984. The company has consistently said it cannot afford this strike. On the other hand, the previous general manager there told them wages were not the problem. They had been getting conflicting stories on that.

The company seemed to want a strike. The union has offered to sign a one-year contract with no change and previous contracts were in the four to six per cent range. In spite of not having any money, they have maintained 47 office workers through the entire strike without a lot of work there, but the 93 hourly-rated people are out.

If the entire problem in that dispute was costs, I have to wonder why they were able to maintain office workers, with no problem, in a plant that is almost totally down, and yet they cannot come to terms with the union on a contract in which they are willing to sign for virtually nothing for a year.

Mr. Illing: One of our mediators, Fraser Kean, is assigned to that dispute. He convened meetings on June 28 prior to the strike, and on October 9, November 2, 12, and 14. He is very tenacious. He never gives up, nor do most of our mediators. He is particularly on top of his cases, and he convened a meeting as late as November 14, but without success, I am afraid.

As you have indicated, the company is taking a hard-nosed position. Mediators are persuasive but they are not authoritative. The mediator will be in touch with them again; he is maintaining contact. As you know, situations in strikes change somewhat from week to week, and we are always hopeful the situation may change in a way that will present a climate more conducive to settlement.

Mr. Mackenzie: I would like to think something would change the perceptions so we do not have so many hard-core cases in which the obvious intent is to beat down the workers' organization. That is my concern in many of these situations.

This is the last question I have on this section. I am wondering if there might be a comment on the matter I raised on the medical labs and the inflation restraint order. You did not respond to that. I raised it briefly in my opening statement. We have some control over that situation because most of the funding is from the Ministry of Health, yet we seem to be waiting a long time to resolve that dispute in Hamilton and Simcoe.

Hon. Mr. Ramsay: You raised this point, which is a good one. I omitted some the matters you brought up, in the interests of time. I have been trying to take some of the major issues and address them rather than individual ones.

Mr. Mackenzie: I would take it there is a possibility of follow-up on some of these others we raised in the course of the estimates.

Hon. Mr. Ramsay: There is always a follow-up after the estimates are over. We will provide a complete report.

Mr. Haggerty: I want to go back to one issue. It concerns Horton CBI. I do not want to prolong the debate; the question could be directed to the minister's staff.

Are there any violations under Ontario or federal labour laws that would have allowed Horton CBI to have work fabricated in the United States with the high number of unemployed in the province? The jobs could be subcontracted, at least, in Ontario or elsewhere in Canada. If they are allowed to continue this way, there is no hope of this strike being settled.

No doubt the main goal is to break the union. The office union is no longer in existence at Horton CBI and the next step is to do the same thing with the shop employees. If there is a violation there, it should be in order to stop it.

Hon. Mr. Ramsay: I will ask the deputy minister.

Mr. Haggerty: With all the unemployment in the province, if we cannot get the strike settled or if they are contracting work out like that, it should be done in Ontario or somewhere in Canada.

Hon. Mr. Ramsay: Mr. Haggerty, there is no one in the country who is more knowledgeable about the labour laws of the province and across the country than the deputy, so I will let him respond to that.

Mr. Armstrong: I thank the minister. Who needs friends?

The question has more to do with commercial arrangements than labour laws. There is nothing to my knowledge in our labour laws that prevents a company from contracting to firms in another jurisdiction. There is no collective agreement here. If there were a collective agreement in force and a prohibition on contracting out, that would be different. Here we have a strike of long standing. There is no collective agreement and so there is no prohibition in terms of contractual relationships.

As far as commercial laws are concerned, I expect that as long as the particular company that is importing goods or services is paying the appropriate duties, there is nothing to prevent it. Please do not misunderstand. I am not making a comment on the propriety of doing this. The question is whether there is any law to prohibit what they are doing. Not knowing all the facts, I would not have thought so.

Mr. Haggerty: So this is one of the penalties we have to pay with a branch plant economy, is it? That is about what it is. They can pull out the stops from the American side and almost certainly bend any of the rules.

Mr. Armstrong: Subject to custom duty, and to be fair that would apply both ways. If it were an American plant contracting in Canada and the situation were reversed, I do not think there would be any impediment to continuing to contract in Canada simply because a strike was in progress.

Mr. Chairman: Is there anything further on that? If not, does item 2 carry?

Item 2 agreed to.

Item 3 agreed to.

On item 4, quality of working life:

Mr. Haggerty: Could I have a brief explanation of what we are talking about when we talk of quality of working life? When one hears the arguments put up by Mr. Mackenzie and me, one wonders if there is anything such as quality of

working life. Can I have some comments on what this expenditure of \$905,000 consists of?

Hon. Mr. Ramsay: I will turn that over to Mr. Armstrong again, because he is the chairman of the committee at the board that is made up of representatives from labour and business.

Mr. Mackenzie: Perhaps as a supplementary, because it is part of the same question Mr. Haggerty has asked, the deputy in his response might also comment on the current love affair between labour and the quality of working life in Ontario.

Mr. Armstrong: Let me take those questions in the order in which they were posed.

It is true I chair the labour-management committee that is responsible among other things for steering the activities of the Ontario Quality of Working Life Centre. As you point out, the estimates amount is approximately \$900,000 and the breakdown is shown in this vote and item.

Nick Ignatieff, who is with us, is the director of field operations and operational director of the Quality of Working Life Centre. I think the distinction should be drawn between the activities of the committee which meets approximately six times a year and—

Mr. Haggerty: That is a really hefty expenditure for six times a year.

2:20 p.m.

Mr. Armstrong: I think it will become clearer when you hear the account Mr. Ignatieff is about to give of the activities of the centre as opposed to those of the steering committee.

The committee itself meets six times a year and one of its major activities has been to steer the activities of the centre. The centre is engaged in a variety of field projects around Ontario aimed at increasing worker participation, and as a result productivity, in a number of settings. Mr. Ignatieff, who has some material before him, will describe the program and explain how the money is expended. Then I would like to return to the question by the member for Hamilton East (Mr. Mackenzie) about the relationship between organized labour and its activities with the ministry recently.

Mr. Ignatieff: The centre's activities fall into three major areas, the most important of which is the development of field projects. The centre as a whole exists to promote quality of working life in the province, and the most effective way of doing that is to try to get tangible examples going in Ontario of where labour and management are working together in a new approach to work.

That has been one of the objectives of the centre during the whole of its existence, six years.

It does its work by offering consulting services, provided by skilled field consultants, to organizations that are willing to work together and by helping them assess whether their organizations are at the right stage and whether their relationships are appropriate to begin this kind of work together; then they launch it, sustain it and evaluate it. During the past six years it has done this in about 26 organizations. At the moment it is actively involved in seven and providing periodic consultation to another six.

In addition to that and directly related to it—supporting it, really—is an education program in which the centre offers both residential seminars of two or three days' duration and one-day introductory programs to people who are interested in quality of working life. The one-day events are oriented toward letting the community at large know what quality of working life is, and a series of meetings has been held in most of the communities around the province.

The more detailed residential seminars are structured very purposefully with pairs of labour and management representatives from a specific number of organizations. Maybe six or seven organizations will send both labour and management representatives, and we work with those organizations during a period of two or three days to give them a more detailed understanding of what this is about and how to do it.

Last, we have a fairly active information program in which we publish a periodical, *Focus*. We also publish occasional papers of more detailed information on developments in quality of working life and we are moving into more popular pamphlets and other things of that kind.

Those are the kinds of activities to which the budgetary figure you identify is directed. The project work absorbs about half of it, and education, information and overhead split the rest.

Mr. Haggerty: It tells me a little bit about what it is doing. Can you give me any particular project you feel has really been of benefit to labour and management?

Mr. Ignatieff: Yes. The centre has attempted to get projects under way in a fairly wide variety of settings, particularly to have examples that one can then talk about, show and use in further education and promotional work.

One of the projects that has agreed to help us in our educational programs and has been extremely successful in many ways, is a project at

Ford's Windsor casting plant, where they have established a series of involvement activities with the United Auto Workers. They have changed their structure of communication.

The workers and the UAW local are very convinced they have received tangible benefits from the program with respect to improved working conditions, communications and the general climate in the plant. Management can point to some very tangible production improvements, improved ways of doing the casting, and some very tangible financial savings.

One thing they point proudly to is a group of employees who, of their own volition, were able to identify a problem the plant had with respect to generating a lot of scrap. The employees were able to find a solution, implement it, and to design and build the kinds of new equipment to introduce the processes. They are very proud of what they did, and the company was pleased.

Mr. Haggerty: You are telling me that it has done away with the suggestion box they used to have in industry for ways to improve productivity. Some employee would pass on that information, and there might be a bonus of \$1,500. Sometimes it has gone higher than that.

We have done away with that, and now we are letting the government pick up the tab. Is that what you are telling me? No, I am just kidding.

Mr. Ignatieff: That particular case, and another one I would like to allude to, have really changed the atmosphere a great deal from the workers' point of view. The employees have an open line of communication through which to make input.

They have not only been able to make input, but they have also taken responsibility for significant areas in the plant. They have been able to improve things that were of importance to them, with respect to the cafeteria and various other recreational activities.

Mr. Haggerty: I do not want to cut you short on it, but from what you tell me there, have you ever done a project in industrial relations related to what happens after a long strike is over? Have you sat down with labour and management to come to some conclusion about why it happened, or to make any suggestions for improvement?

Mr. Ignatieff: That was where I was going to take you next, if you will permit me. A very interesting project we have worked on for several years is that of the Eldorado Nuclear plant in Port Hope, with the United Steelworkers.

They had a very bad industrial relations climate in the late 1970s. There were several strikes, and relations were quite bitter. Of their

own volition, they turned to a relationship improvement program similar to the one that is run by the industrial relations division here. Eldorado turned to this kind of program before the preventive mediation services of the ministry were started. It is very much the same sort of thing that the ministry is now doing itself.

The major result of that was a very much improved climate between the steelworkers' local and plant management. They turned from emphasis on the relationship itself to what more they could do to make the work place and the work better, and to overcome other problems not directly related to the collective agreement or its administration.

At that point they approached the centre, and we put a consultant in. Since that time, they have done a number of things which they are very pleased about. Jointly, they were able to work out a new work design for a refining plant that was built on the Port Hope premises. It is very contemporary; it is built around autonomous work groups, a very interesting approach.

2:30 p.m.

They have also been able to redesign the work in the existing plant—and this is frankly more difficult—to a substantial extent. The relationships have continued to be very solid, notwithstanding the bad economic situation in the uranium market generally. They have faced some layoffs and they have been able to work that out together. That has been difficult but it has not interfered with the project itself. That is perhaps what you are trying to get at.

Mr. Haggerty: Either of the parties may request a study of a particular project within the industry.

Mr. Ignatieff: It can start from either side. Because our ultimate destination is to improve the workers' participation in decision-making, the centre's practice has been to change the way in which workers can control decisions having a direct effect on them. Because that requires a willingness on the part of management to work with its employees and the union if they are organized, we have as a matter of practice responded to a joint request from labour and management. That always starts with one side or the other.

They hear about us and contact us and we will talk to them and work with them. Eventually, both sides will probably come together in it.

Hon. Mr. Ramsay: Before Mr. Armstrong responds to the supplementary part of that question, I refer Mr. Haggerty to the preventive

mediation program within our conciliation and mediation services. We have people who go in after a strike, as you suggest, and the success stories are phenomenal. Where there has been a strike, perhaps a bitter strike, because of the preventive mediation that has been done following that strike the next time around the collective agreement is reached in an extremely short period of time. I have examples of that in my own community.

Mr. Armstrong: I will address that. To add to what Mr. Ignatieff was saying—and this is a prelude to what I am going to say about labour's involvement in quality of working life—this whole movement, if you will permit me to use that expression, is not a flash in the pan.

The notion of employee involvement in decision-making and the breaking down of the hierarchical management structures that were characterized in the past by authoritarian methods has been going on in the industrial world for the past 20 years. It had its origins in Britain. It had some considerable development in the Scandinavian countries. If you look at this week's edition of the New York Times Magazine, you will see a rather significant article on employee involvement in auto assembly plants in the United States. It has its proponents and detractors.

From the ministry's standpoint, the prime objective is to engage in activities that will permit employees to have a greater, more meaningful say in the way in which work is performed.

Whether we like it or not, the majority of our waking time is spent at our work places. This project was launched in 1977 with the enthusiastic support of labour and management representatives. It has had a considerable measure of success, not only with respect to the specific projects Mr. Ignatieff referred to and others that have gone through various cycles, but also with respect to the effect it has had on the broader outlook about the way in which work should be performed.

We are not under any illusions that the expenditure of \$900,000 by the Ministry of Labour is going to change the face of work places in Ontario, but I think the educational events Mr. Ignatieff briefly described have had considerable impact in spreading the word about the value of looking at new ways of relating to management, new ways of relating to the way in which work is done and the role of the worker: whether the worker is simply there as a cog in the machinery; whether he or she is there as a part of the decision-making process; and whether his or her

talents and activities, beyond the mechanical skills required for the job, are being used for the benefit of the entire enterprise.

I am still firmly of the view it is much more than a passing gimmick or fad, that it really is a very important and integral part of the way in which work ought to be approached as we move ahead into the next years, and indeed decades.

On the deliberations before the Ontario Federation of Labour's convention, I am not going to try to get into the psyche of the convention, except to say I know that for a number of years the list of resolutions has normally included a resolution of the sort that passed at this year's convention. Those who moved that resolution, I think it is fair to say, are sceptical about the value and desirability of activities in which labour is consorting with governments and management.

Mr. Wildman: Fraternizing.

Mr. Armstrong: Fraternizing. I think they see, and probably hold the view honestly and with conviction, that it is somehow a threat to the collective bargaining relationship, to the adversarial system, and are concerned that this is some kind of Trojan horse to weaken and ultimately destroy the trade union movement.

However, whatever the motivations, in previous years the resolution has been defeated. This year it passed.

Mr. Mackenzie, I was not at the convention at all and certainly not when the resolution was moved—perhaps you were—and I did not hear the speeches. I suspect, however, from talking with some of my associates in the labour movement after the convention, there was some disillusionment with the rate of and nature of the progress that has been made in the centre, somewhat along the lines of Mr. Haggerty's questions: "Are you really producing tangible results? Are you really changing the face of the work place in Ontario? Are your objectives, laudable though they may be, really being realized?" I think there was a degree of frustration about the pace of progress and the nature and direction of the centre's activities.

As far as the future is concerned, the resolution itself said the convention was opposed to the federation's continued participation in the Ontario Quality of Working Life Centre. Without getting legalistic about it, the federation per se never did participate in the centre.

It is true the president of the federation has been a charter member of the quality of working life steering committee. I think he has made clear he feels bound by the resolution, therefore, in so far as the committee will be dealing with the

steering of the activities in the centre, he will not feel free, as president of the federation, to participate in those activities.

I just cite parenthetically that the committee deals with many other matters of mutual concern to labour-management in the broader field of social and economic activities and policies, but Mr. Pilkey has made that position clear.

As far as the other members of the committee are concerned, my impression is—and I do not want to speak on behalf of any of them; they are all capable of speaking for themselves—however most, if not all, feel they are there as prominent trade unionists. Although they are all affiliated with the federation, I think they all feel they are free agents and that they and their organizations will make their decisions independent of any resolution by the federation.

2:40 p.m.

In summation, I would say we will certainly continue to have a committee, the name of which was changed some months ago to reflect its much-expanded mandate. It is now called the Ontario Labour-Management Study Group. The committee will continue to exist and, I believe, flourish. It will continue to have a role in steering the affairs of the Quality of Working Life Centre and Mr. Pilkey will honour his commitment to the convention. I think all of those objectives can be attained without difficulty and to the benefit of the workers.

Mr Mackenzie: I would like to respond if I can. I think the deputy touched on it but he may not have given it enough weight.

One of the things we noticed is we have a bit of a revolt. There is disillusionment, or cynicism if you like. We also had a major speech at that convention over the renewal of the Radio Shack situation and some of these other situations. A number of people at the convention did not see the progress you were talking about with respect to the fundamental problems that stay with us, as were also outlined in Mr. Docquier's letter about his concern over the use of workers in strike situations.

As you may or may not know, in past estimates I have not been opposed to this particular program. Two or three estimates back I can recall crossing swords on the issue with one of the Liberal critics at the time. We argued about whether or not it should be done away with. I think what happened is unfortunate, but I think there is a lesson there that had better be learned.

I hope your enthusiasm for the future is right. I think what happened there is going to make it a lot more difficult for the leaders of many of the

unions. Fortunately, enough of them are strong enough that they may be willing to face it, but it is not going to be easy. I can tell you this, if we do not come to grips with some of the problems like the Radio Shack one, it is going to be harder and harder in the future for them to participate in this kind of a program. That is why I think it is unfortunate and that is where my concern lies.

Mr. Chairman: Is there any further discussion on item 4, quality of working life?

Item 4 agreed to.

Item 5 agreed to.

Vote 2402 agreed to.

On vote 2403, labour relations board program:

Mr. Haggerty: I just want to make a few short comments related to vote 2403. I find some difficulty now that perhaps we are entering into a different type of bargaining process, and perhaps times are a little bit tougher out there.

I think a number of industries in Canada are following principles that have been set on the American side with respect to labour disputes and labour relations. They are trying to turn back now to some 40 years ago. Some on the American side are condemning the unions and blaming the unions for all the pitfalls of the present economy. I cannot agree with that.

For a union and a company that have entered into a bargaining process, and it can continue for some length of time without having a new contract, I think many of the issues can be settled through the Ontario Labour Relations Board instead of during the bargaining process. One of the issues is seniority rights. The trend today by some of the industries is to do away with seniority in a number of contracts. That is going to cause some problems and some hard bargaining.

I suggest to you that although the strike may be illegal, the door should be open in case they want to appeal to the labour relations board, or send some of those things to the board to make a decision. Perhaps there is an impasse there that can be resolved at this level.

I do not suggest a new approach to it, but I think, even if the union is still there, as long as there is a group of employees there, they should still have access to the labour relations board, even during a strike period. The company says: "You have no contract now. We are not interested in it."

Hon. Mr. Ramsay: Mr. Haggerty, the parties do have access to the labour relations board during work stoppages to adjudicate such things as unfair labour practices and things of that

nature. Maybe Mr. Aynsley, the registrar, or Mr. Rob Herman, the counsel, would like to comment.

Mr. Herman: With some embarrassment, I have to confess I was filling out the slip while you were commenting and I did not pick up what you were saying.

Hon. Mr. Ramsay: Mr. Haggerty was suggesting the Ontario Labour Relations Board should be used to a greater extent during collective bargaining. When there were difficulties, they could be sent before the board for adjudication.

Mr. Herman: I have a couple of comments on that. First, the board is used informally when there are problems during the collective bargaining process. It is not written into the legislation but it occasionally occurs that, when parties come before the board, perhaps in an unfair labour practice complaint, an allegation of failure to bargain in good faith, as the hearing progresses it becomes apparent there is scope for the board to facilitate the parties sitting down together again to try to negotiate a settlement. That has happened on numerous occasions.

There is also, as part of the board process, a program under which we have labour relations officers or field officers. When problems arise during negotiations and an unfair labour practice is filed with the board, we do, as part of our routine operation, send out one of these officers whose mandate is to attempt to facilitate settlement. Built right into our process, as part and parcel of the process, is a scheme and an entire structure to try to facilitate the parties coming together and to deal with the collective bargaining.

Mr. Haggerty: Is that even in the case, for example, where a contract has expired, no new contract has been negotiated and they are trying to get a contract? Do they have access in that period when the contract has terminated?

Mr. Herman: The board does not initiate investigations or participation. In that sense, we are in the hands of the parties. One of the parties has to file a complaint and we then process it.

Once a party files a complaint, and in the context of your question the complaint presumably would be a failure to bargain in good faith, it is built into our process that we do send out a labour relations officer whose mandate is essentially to try to resolve the problems between the parties. We have found that program has been quite successful.

Mr. Haggerty: Can you name a union or industry that has applied for this approach to resolving some of the issues when meeting an impasse in trying to arrive at a new contract?

I have mentioned Radio Shack. Have you had any request by either party saying they are not bargaining in good faith? What would your position be if one of them did do that, or if Horton CBI did? I use these two examples because they are the main topics today.

Mr. Herman: To answer your hypothetical question rather than dealing with specific parties, because as far as specific parties are concerned, I naturally cannot comment on something that may be before the board at the moment, if failure to bargain in good faith were alleged, we would appoint a labour relations officer routinely.

In a sense I am repeating myself, but that officer would meet with the parties and it would be up to that officer, jointly or individually. But part of that officer's role is to try to see if the parties can resolve the matter themselves. For selfish reasons, we are not interested in hearing cases the parties can resolve themselves.

2:50 p.m.

In answer to your question, in my experience, limited though it has been admittedly, that is routinely what is done. We appoint those officers routinely and, in virtually every case, they go out and try to resolve the matter.

Naturally, if mediation is not a viable way to resolve it, it does come before the board for a hearing, but you will appreciate that as the hearings go on and as the number of hearing days grows, the parties may become more receptive to trying to settle it themselves.

We and our officers are always available for that purpose. Even though we have commenced hearings, if it becomes apparent there is some scope for settlement, we adjourn those hearings and send an officer in again.

Mr. Mackenzie: Mr. Chairman, I have just two or three questions. First, can the minister tell us whether any discussion is going on or any progress at all is being made on the request by the union—a request I have made myself and even moved as a private member's bill a number of times over the years—that those workers under the Crown Employees Collective Bargaining Act come under the Labour Relations Act? Is that a dead issue in your ministry at the moment, or is it under consideration?

Hon. Mr. Ramsay: I am not familiar with that issue.

Mr. Armstrong: If I might speak to that, the Ontario Public Service Employees Union has a brief, which was before the Management Board of Cabinet when Management Board had jurisdiction over the Crown Employees Collective Bargaining Act; we now have responsibility for that legislation, as you know.

This brief requests certain reforms and revisions to the Crown Employees Collective Bargaining Act that, if acceded to, would make that act more akin to the Labour Relations Act, but it has not proposed a merging of the two acts. As I understand the union's brief, it wishes to preserve its own piece of legislation. So the short answer would be no; no active consideration is being given to combining the two pieces of legislation.

Mr. Mackenzie: The minister also commented briefly on domestic workers and the additional coverage they now have. Is there any intent to give them full standing under the Labour Relations Act?

Mr. Armstrong: This proposal has been made by a group representing domestic workers. I defer to the board to some extent on this, but one of the difficulties is that the Labour Relations Act talks about bargaining units, and in order to have a bargaining unit you have to have at least two people, if that is still the law. In so many of these cases, as you know, domestics really would not qualify. Even if they were included under the Labour Relations Act, they could never form a bargaining unit. This is a practical difficulty that we have discussed from time to time with the representatives of domestics.

You are quite right. That is one of the requests that is still outstanding.

Hon. Mr. Ramsay: Incidentally, if I may just add to that, in addition to the minimum wage and hours of work, they have been given standing within the Workers' Compensation Act in Bill 101.

Mr. Mackenzie: Did we ever resolve the question we raised for a number of years running about farm workers—I am thinking of Prince Edward county or the Wellington mushroom farm that we raised for a number of years—who as agricultural workers did not come under the protection of the act but who in fact were in an actual industrial factory setting?

Mr. Armstrong: I do not know whether there has been any further jurisprudence by the board since the Wellington case. I remember we had some brief discussion on this issue during the last estimates. Far be it from me to second-guess the

board's decision, but it seemed to me at the time the arguments advanced by the union in favour of the proposition that people who were, as it were, in a factory, who had continuity of employment, on one view of the facts certainly did not appear to be agricultural workers. However, that case stands, it was never taken to judicial appeal, and it would take a different decision to pursue another conclusion.

As to the act and possible amendments, the short answer is there are no amendments to the act and to my knowledge none is being discussed.

Mr. Mackenzie: We were showing a little initiative. It is an item on which we might take the lead. I am going by memory now, the dispute was a few years back. When you get workers who work regular 40-hour shifts, who punch in and punch out, who eat in a common lunch room and who work on moveable trays for the operations, you sure as blazes have a factory operation, every bit as much as the soup factory that, as I recall, was next door at the time. However, those workers were denied some rights as a result of not being included under the Labour Relations Act.

I have a serious question that has been raised with me by people in a couple of unions; perhaps the board can give me an answer. I was not aware this was causing problems but a case was laid out for me. I will not go into all the details, as I am sure the board is aware of them. It is about the certification hearings at the Hospital for Sick Children.

As I understand it, the application was made on November 22, 1983, and the last examination was in July. There seem to have been an undue number of delays. The certification application has been about a year in the processing. I do not have another example except for this one, but I was specifically told that if I had a question to raise of the board, I should raise the long delays when there is a controversial or difficult case and this was given as an example.

I do not know how it can be justified that workers in a field which can be talked about in terms of organization can still be waiting a year after they apply for certification. Is there an easy explanation the board can give us in this case? Perhaps there can some comment on the number of other outstanding cases that have covered a long period of time.

Mr. Aynsley: Perhaps I can respond to that. That case has taken a considerable amount of time. It is a very complex issue in a large hospital. Both the employer and the trade union

are playing tough guy as to who should be included in the bargaining; that is what the issue is all about. I understand a decision is in the works at present that I trust will clarify some of the issues, but I do not think it is will complete the case. The case will still be ongoing.

We have certainly had some delay. It is related to the work load problem. As you may be aware, we have had a considerable turnover in chairmen and vice-chairmen at the board in the past year or so. Once an individual makes known his or her intention to leave the board, there is a period during which one cannot assign cases to that individual. One winds up assigning cases to other vice-chairmen who are already overloaded.

During the past fiscal year, the board experienced the highest number of cases it has ever had in its history, some 300 more cases than in the prior fiscal year. To this point in this fiscal year, they are 300 cases ahead of that figure. We are just beginning to get on stream additional vice-chairmen to fill the board. We have hopes that performance will improve.

3 p.m.

Mr. Mackenzie: It is an area I would have liked to spend more time on. I understand that Women's College Hospital is hanging fire, waiting on the Sick Kids' Hospital situation to some extent. I am told by officials of two different unions, plus all the people at the Ontario Labour Relations Board, that it is a serious problem.

I note in your estimates that the board budget is down by \$8,000 for the coming year. If there is the serious problem in terms of officers, chairman, and delays you are talking about, I wonder how that squares with some of the delays—and I think the point has to be made with the minister.

When it comes to a major hospital and the application of workers, and I have done some organizing in my day so I know the concerns and fears in the process, looking for their first contract, it is not a time when you want to be sitting for a year because of delays.

If my information is correct, and I believe the last examination in this case was way back in July, you obviously have a serious problem in terms of some of the certifications, possibly in other cases too, I do not know. I was told this is one area where we have some problems in the labour movement. I would like some kind of response from the minister.

Hon. Mr. Ramsay: I can only repeat what Mr. Aynsley told you. We have had a problem as far as personnel are concerned. That is basically rectified now, and we should be back up to

strength. We have also had a record number of cases. The combination of the two placed an almost unbearable work load on our people. They responded extremely well under the circumstances.

As you can appreciate, you just cannot go out on the street and hire the first person you find in order to fill an extremely responsible role. The crisis is over, however, and we are heading towards normal operations again.

Mr. Mackenzie: You were up 300 cases, I understand, this year over last. Even if the decision is in the works very shortly in a case like this, you have had this kind of delay. I do not know how many other cases may be outstanding, and your budget for the coming year is less than last year's. Somehow, it does not quite square with what I am hearing.

Hon. Mr. Ramsay: I am afraid I cannot explain the budget. Perhaps Mrs. Burak can.

Mrs. Burak: The printed figures do reflect the board's share of a number of constraints the ministry was faced with going into 1984-85. However, once we recognized the problem the board was facing, we were able to inject some additional funds into the board, both in terms of salaries and wages, and to fund what we anticipated would be a deficit in its travel budget.

Additionally, we are meeting with the new chairman of the board next week to prepare what we hope will be a fairly strong request for additional funds to the base budget. We do recognize that need for additional money for next year.

Mr. Mackenzie: This, apparently, is not just an overnight situation. I guess I go back to my own days. When you filed your cards, after you picked up your cards and your dollars at a certification hearing, you were on tenterhooks until you had that certification through. It is just not acceptable to me to have a major unit like this sitting for a year. That should have been recognized.

If you are only now making an appeal for additional funds we may have been a little slow in reacting. I would like to know how many more cases we have, such as that of Sick Kids' Hospital, that are of long duration. Are there a number of others, or is this the only one you are currently sitting with?

Mr. Aynsley: I do not have this information, but I can undertake to get it to you.

Mr. Mackenzie: Are there other cases?

Mr. Aynsley: There may well be. I am not aware of them.

Mr. Mackenzie: I wonder if we could have the number of cases of over six months duration that have been before the board.

Hon. Mr. Ramsay: Mr. Aynsley has committed himself to getting that to you.

Mr. Chairman: Anything else?

Mr. Mackenzie: Hang on for just a minute. No, it is okay.

Item 1 agreed to.

Vote 2403 agreed to.

Mr. Mackenzie: We could go on to vote 2405. I am just not sure when all the people will be here. We were going to do it last anyway.

Mr. Chairman: Okay, vote 2405.

Mr. Haggerty: When are we going to get back to vote 2404, though?

Mr. Mackenzie: We had an agreement to come back at 3:30 p.m.

On vote 2405, employment standards program:

Mr. Mackenzie: I raised a question in the comments. It is a perennial one with me, but I was just wondering if the ministry had given any thought to improvements in the vacation legislation for workers in Ontario.

Hon. Mr. Ramsay: I responded in the House to a question like that. We have an ongoing review on all matters of a like nature under the Employment Standards Act. There has not been special attention to that particular aspect, but in the ongoing review it certainly has been examined.

Mr. Mackenzie: Forgive me, but that has been the answer for some six or seven years now. We still have two weeks paid vacation in Ontario. There are a number of countries in the western world that do quite a bit better than that. I am wondering if it is not worth taking a look at an increase in the amount of vacation to which workers are entitled. Unfortunately, in this country we still only have a third of them organized.

Hon. Mr. Ramsay: I have sympathy with that request.

Mr. Mackenzie: At the risk of pushing the minister a little bit, will that translate into any more serious look at it in the next short time?

Hon. Mr. Ramsay: I will make that commitment, certainly.

Mr. Mackenzie: Just one question. I got a call about two weeks ago from a constituent, not one of mine but of a Toronto member. It was from a person who works in the French department of

Medic Alert. I guess they make the Medic Alert bracelets.

The employer decided to increase the work day by one half-hour with no increase in pay. I gather there is no union there. When it was questioned by one of the employees of the department, she was simply told if she did not like it she could leave.

The constituency assistant who turned this over to me said the employee called the employment standards branch of the ministry, I am presuming it is in Toronto because the case was here, and was told the employer could increase the hours to whatever he wanted providing the hourly rate did not drop below the minimum wage after the hours were increased. Then the employees asked: "What the heck could we do about it?"

Could I ask Mr. Scott if that is the standard answer we would give. I suspect it is a correct response, but it bothers me a bit. It certainly turned off the person who called in at the time.

Mr. Scott: Mr. MacKenzie, I can assure you it should not be the standard answer we would give to a question of that kind. It indicates unlimited hours for the same money. Legally I think they can increase to the extent that they did. The half-hour may not be viewed as being unreasonable, but it is not the answer that should have been provided.

Mr. Mackenzie: I am told that call went in on November 7, so it is relatively recent. I just thought I would bring it to your attention, nothing more. I am not classing it as one of our serious problems.

Once again, I must say it is probably because I have more contact with them than almost any other department in your ministry, but I have always found I get good co-operation in the Hamilton office with both Mr. Murphy and Mr. Scott. I certainly appreciate it. I just trust every time I say something I do not risk their jobs. I am a cynical son of a B with regards to—

3:10 p.m.

Hon. Mr. Ramsay: That is the first time you have used the word "cynical" today. Usually you have already used it a few times by this time.

An absolutely phenomenal number of calls come in. I am so pleased to hear what you said about our officers, the ones you have been in touch with. Granted, that call was answered improperly, but considering the number of calls that are handled and the information that is dispensed, I really do think Mr. Scott's department does an excellent job.

Mr. Mackenzie: One area I did not raise in my opening statement, and I should have because it does also touch on the employment standards branch, and the minister also made brief mention of it, is the continuing problem where we have a bankruptcy or a firm going into receivership. I would dearly love to hear the minister get up in the House and report one of these days in the near future that, given no federal action in the almost immediate future, we would try to do something here ourselves that gives us a little more protection than we are getting yet for workers.

I probably should have gone into the long hassle we have had over Grimsby Diesel, which I have mentioned in past estimates. It is also a nonunion plant. What happens to workers in many of the cases of bankruptcy and receivership in this province is simply not acceptable. As the minister knows, this is an area we have been raising during his entire term as minister and that of the previous Minister of Labour. I am not satisfied we have done everything we could do in this field as yet. I hope that is also on the minister's list for some serious consideration.

Mr. Haggerty: I want to bring one problem to the attention of the minister in regard to employment standards, plant closures and so forth. It concerns the benefits to which employees are entitled, particularly pensions. I often have been called to assist in getting their pensions settled.

You can write to the Pension Commission of Ontario and get some answers back, but sometimes in plant closures the company will have a legal firm respond in writing to the employee and send forms to fill out. Many of the employees dealing with pensions are lost because there is not sufficient information given to them. I can think of problems in this area that have caused some discomfort for employees.

The companies may send out forms with options: one, two, three and four. The employee may be able to take early retirement; the age factor may come in at 60 or whatever it may be in certain pensions, because each pension may be a little bit different; and probably the last option is to put it into a registered retirement savings plan.

Normally when they send these forms out where a plant closure has taken place, they really do not put anything down in detail of what their pensions are worth. They say there are three or four options you can take. You would think they would have it laid out that option 1 is this, option 2 is this and option 3 is this, and that you can have it transferred into a life insurance policy or whatever it may be. The material does not really

tell the employee or the benefactor of that pension scheme what is in his best interest. They will say, "You have 30 days to make up your mind." By the time the employee runs off to a trust company to ask, "Is an RRSP the best way to go or is it this way I should go?" many of them lose out in the delay in bringing this about.

I can think of one particular plant closing in the Fort Erie area, Hart and Cooley Manufacturing Co. of Canada Ltd. The plant shut down last July or August. It had given previous notice to the employees under the Employment Standards Act. The industry has had all that length of time to prepare. Of course, when the employees call the company, it will say, "It is a matter that lies with Great-West Life Assurance Co." or some other insurance firm where the money is put in trust for the employees.

It is rather difficult for the employees to go through this transition period of the plant closure and find out just what their pensions are worth. I have heard so many of them say to one another, "I have this problem with mine," and another one will have this other problem and a third will have yet another. Really, the companies do not tell them; but somebody should be looking after the interest of the employees.

In this instance, about \$100,000 was put into the employees' pension fund, but there is \$100,000 in question. Who gets this \$100,000? I think of the practice that has been used in plant closures in the United States. They do not have to shut them down, but there they call it pension raiding; that is, the companies are raiding these pensions. I want to be assured that the Minister of Labour, through the employment standards branch, is one of the watchdogs, as well as our provincial superintendent of insurance.

Hon. Mr. Ramsay: That is exactly what I was going to suggest I would do: send the Hansard along with your comments and suggestions to the Minister of Consumer and Commercial Relations (Mr. Elgie), who is the minister responsible. The superintendent of insurance, of course, is within his ministry. We will send the Hansard along with an accompanying letter explaining that you brought these concerns up.

Mr. Haggerty: I have already sent letters to the superintendent of insurance.

Hon. Mr. Ramsay: You have? We will send the Hansard along to the Minister of Consumer and Commercial Relations.

Mr. Haggerty: Fine.

Item 1 agreed to.

Item 2 agreed to.

Mr. Mackenzie: Under employment standards, because I do not know where else to fit it in, I just want to make one comment under plant closure and review—no, I will leave it until the end. I am sorry; it does not fit there.

Vote 2405 agreed to.

On vote 2406, manpower commission program:

Mr. Mackenzie: Mr. Chairman, I have one question to raise, and the minister is aware of it. I am impressed with a letter that came to us and was passed on to me by my leader. I know he has written to the minister concerning 55 Plus Personnel Placement in Kitchener. Is the minister aware of that letter?

Hon. Mr. Ramsay: I am not, and I do get copies of all letters that come across my desk. What date is it?

Mr. Mackenzie: It was sent to you on November 20. You should have had it. I will read it to you; it is very brief. It simply says:

"Dear Mr. Minister:

"I am sending you a copy of a letter I received from Bertha Webb, chairperson of the board of directors of 55 Plus Personnel Placement in Kitchener."

Hon. Mr. Ramsay: Fine. I do recall it.

Mr. Mackenzie: If the information in the letter that was sent to the member for York South (Mr. Rae) by Bertha Webb is accurate, it would seem to be a type of self-help agency that is having some rather phenomenal success with employment for older workers.

I gather it has some modest funding from the Canada Employment and Immigration Commission and outreach programs. I will not read it into the record if the minister has it. I would like to know whether he has taken a look at it and whether he sees a potential role for his ministry, the provincial government or the manpower commission in the activity of this group in Kitchener.

Hon. Mr. Ramsay: I was particularly interested by the letter, and it is within our ministry now for comment.

Mr. Mackenzie: I would appreciate hearing from the minister, when he has taken a look at it, just what he feels is the value of the information contained therein and whether it is not something we might take a serious look at. It may be that it can spread to other places. If the cost and the number of placements mentioned here are accurate, then I am impressed.

Vote 2406 agreed to.

3:20 p.m.

On vote 2407, human rights commission program:

Mr. Mackenzie: Mr. Chairman, I have only one question, and it is for information more than anything else. Can we be informed of whether we are running into any delays in difficult cases, similar in length or complexity to the one I raised about the certification at the Hospital for Sick Children? Are we running into any particularly long delays these days in human rights cases?

I do not have an example to set out so it may be we are not, but I am certainly interested. There was a time in past estimates when we had a considerable problem and backlog, as you will recall. How are we at present?

Mr. Brown: Mr. Chairman, that situation has improved since the last estimates because we have obtained additions to the staff, plus some internal administrative strategies. We are reducing quite appreciatively the length of time it takes to get the cases through the system. For example, we have been able to get through the system cases that take between one and six months. The improvement is from about 40 per cent to about 50 per cent. I can assure you we are continuing to work on the problem.

Occasionally, of course, we have cases that are quite complex and difficult. Especially if they have to go to a board of inquiry they take some time to get through the system, but on the average it has improved appreciably.

Mr. Mackenzie: I wonder if it is possible to get a bit of a picture—maybe it is available in some of the information here and I am remiss in not seeing it—on the number of cases outstanding for more than six months and any longer than a year?

Hon. Mr. Ramsay: Mr. Brown would be happy to commit himself to following up in that respect.

Mr. Brown: I will see if I can find those figures.

Hon. Mr. Ramsay: I think the member would be satisfied if you send them to him.

Mr. Mackenzie: I would be satisfied to have them from you. I would like to know the number of cases that are outstanding for more than six months and those for more than a year.

Mr. Haggerty: Mr. Chairman, I want to direct one question to the chairman of the Ontario Human Rights Commission. Since we now have our Canadian Charter of Rights and will probably

be implementing some of its recommendations on areas of human rights concerns across Canada, what effect has this had on your legislation and its interpretation? Are any conflicting areas causing you difficulty? Section 15 of the charter deals with "equality before and under law." That will come into effect some time in February 1985.

Mr. Brown: There is nothing that is giving us problems at the moment. Given the fact that the charter does not come into effect until April 1985, there are some reviews going on now in the Ministry of the Attorney General, in conjunction with the legal department of the Ministry of Labour, to determine where potential conflicts might arise, especially with respect to age discrimination and areas of that nature, to make sure those areas are consistent. Both the Human Rights Code and the Charter of Rights would be involved there.

Mr. Haggerty: If there are any concerns about interpretations, you are hoping the provincial legislation of whatever ministry will be parallel with the intent of the federal legislation that relates to the charter.

Mr. Brown: Yes, all areas are being looked into.

Mr. Haggerty: Are there just the two areas that are difficult or are there others?

Mr. Brown: There may be others, the whole code is being looked at. All the questions that might seem to be emerging as possible conflicts are being looked into with respect to consistency. You have to bear in mind the charter mostly deals with the government and the code deals with the private sector quite a bit.

Mr. Gillies: Mr. Chairman, I do not think it would be appropriate for me to ask a question of officials from our own ministry but, for the record, I want to thank Dr. Ubale and his staff for assisting on several occasions with a problem regarding one of our visible minorities in Brantford. They have been most effective and obliging whenever asked to assist in these matters. We all tend to take the work of people such as yourself somewhat for granted sometimes, but it is much appreciated.

Vote 2407 agreed to.

Mr. Chairman: We will return to vote 2404.

Mr. Mackenzie: Mr. Chairman, before we do that, may I raise two very minor questions? We have a few of minutes to spare.

For the record only, because I went into some detail on the number of charges and the situation at Radio Shack, since I talked to you last week

there has been at least one more criminal charge laid. It seems there is a pattern of harassment.

I am told videotapes that have been taken on a constant basis during the strike are being reviewed, and that almost all of the charges are being laid by one police officer who also is extremely friendly with the head of security at the company. I am not sure where to take that. There may be more discussions before the board, but with the additional charge being laid—that makes at least 34 now—it is obvious we have some pretty systematic harassment in the Radio Shack case. I wanted to bring that to the minister's attention because I was called about it yesterday.

The other thing is something on which I have had some communication with the minister, either verbally or by note. I would dearly love to get a better idea from him if he is prepared to consider—he may not be, but I certainly got the impression out of his comments in the course of asking questions on Black and Decker Canada Inc. and on the Canron Inc. closure that he was thinking seriously about it—the possibility of re-establishing the plant shutdowns committee. If he did, I would certainly hope, as I had requested, it had a broader mandate.

I am also told, although I heard this second hand, that a number of our people had heard the minister make somewhat supportive or similar comments the next day on the radio. But when we came back to the Black and Decker situation in the House yesterday, his response left me wondering. It seemed to be a pretty abrupt “No.” Is there any serious consideration going on with respect to the use of re-establishing a plant shutdowns committee or is that just not in the cards at the moment? We would appreciate a comment from the minister.

Hon. Mr. Ramsay: If you had not used the last phrase, “in the cards at the moment,” I probably would have responded a little differently. There are two problems I have to look at. One is—and this I intend to do, particularly in the light of your question yesterday—to analyse your interpretation and my interpretation of the layoff figures. If it continues to show a decline, as I believe it has, and we are currently having all those figures analysed, then I probably would be rather hesitant to bring the committee back.

The other part, which reflects on your last phrase, “at this time,” is that we are going through a leadership campaign, possibly followed by an election, and we could be in the same situation we were in when the last committee was terminated. I do not think it would be appropriate to start something and have

it cut off. Those are two factors I want to look at very closely and those are two considerations in reaching a decision.

3:30 p.m.

Mr. Mackenzie: I appreciate the minister's comment. The figures I was using distinguished between the short-term, the reduced operations and, as the minister will know from the House, partial and total closures. Certainly they are up with respect to partial and complete closures for the nine-month period.

I was looking for the sheet that research sent me in the House yesterday after your response. My information indicates that while it is not as large a jump, it is also up for the eight-month period with respect to partial and total closures. Even if it had not shown only a small jump then, the fact that it is substantial for nine months indicates, at least at the moment, that we still have a problem with respect to the more serious long-term effects.

Hon. Mr. Ramsay: Immediately after question period yesterday I gave instructions to a staff person to look at my comments in Hansard—I am sorry, to look at the comments in my opening statement at the estimates, to look at the figures and to get together with our people in the plant closure department to provide me with an analysis of them. I would feel very badly, indeed, if I had misled the House.

You and I exchanged some notes. You asked me a question in writing, and in responding to you yesterday I indicated to you I was very concerned about possibly misleading the House. Therefore, I wanted to take a very close look at these figures. If I have said anything of an incorrect nature that you would like to share, I will stand in my place next week, or at the appropriate time, and correct the record. I feel very strongly about that.

Mr. Mackenzie: We are taking our figures from the summary of permanent and indefinite layoffs in Ontario that were reported to the Ministry of Labour by size of layoff. In the categories of both 50-or-more and less-than-50, as I understand it from our research, for the eight-month as well as the nine-month period which I have here, it clearly shows—

Hon. Mr. Ramsay: I understand where you are getting your figures, and I want to see where the figures I gave you at the beginning of the estimates debates were taken from. Those were the ones I was recalling from memory when I made that statement in the House.

Mr. Chairman: Okay. I guess you have about 35 minutes left.

On vote 2404, occupational health and safety program:

Hon. Mr. Ramsay: All right. These notes are handwritten—not by the deputy, fortunately, or I would never be able to decipher them.

Mr. Haggerty: Is that good or bad?

Hon. Mr. Ramsay: That would be bad.

Mr. Armstrong: Because of illegibility.

Hon. Mr. Ramsay: Yes, I am sorry. That is what I meant.

Mr. Goodman: Let the record show.

Hon. Mr. Ramsay: In his opening remarks, Mr. Haggerty raised the issue of the health and safety of the province's firemen. First, it is important to bear in mind that although full-time firefighters, like police officers and correctional officers, have no right to refuse unsafe work under the Occupational Health and Safety Act, the remainder of the act does apply to firefighters.

In my opening remarks, I made reference to the expanded committee of the firefighting sector. This committee now enjoys representation from both the volunteers and the Association of Municipalities of Ontario. The cost of equipment under consideration is certainly one item that is being reviewed. Copies of the proposed regulation regarding protective headgear have been sent to the clerks of the municipalities for comment prior to its enactment.

The committee—which, by the way, does not have a manufacturers' representative sitting on it—is currently considering a proposed regulation for turnout clothing. The ministry has on its staff an expert in protective equipment for firefighting. I will deal later in my response with the issue of the firefighters' right to know.

This morning I undertook to provide committee members with a status report on the implementation of the recommendations by the royal commission on asbestos, and I have provided copies to the clerk for distribution. I do not know whether those have been distributed yet. He is probably out making copies right now.

Mr. Haggerty also raised the subject of work place monitoring for toxic substances. Although the act does not contain such a requirement, it does impose duties on employers to protect the health and safety of workers.

All the designated substance regulations that have been passed contain provisions for work place air monitoring. Where a control program is

required under one of these regulations, the employer, in consultation with the work force joint health and safety committee, may establish the frequency of monitoring. Where there is a dispute as to the frequency of air sampling, the regulation provides that the dispute be referred to a Ministry of Labour inspector for resolution.

Mr. Haggerty also raised concerns respecting handlers of grain dust, and, in particular, workers employed on vessels on the Great Lakes. While grain handlers under provincial jurisdiction are covered under our legislation, persons employed in interprovincial shipping fall under federal jurisdiction, in particular the Canada Labour Code.

Mr. Haggerty also expressed concerns respecting fires in mines and referred particularly to fires from hydraulic equipment oils. The mining regulations contain provisions directed to controlling hazards associated with the use of such oils and requiring fire suppression units. The modular training program developed on a tripartite basis contains reference to fire hazards and the means of controlling them. I also understand that mine rescue workers receive appropriate training.

As for Mr. Haggerty's concerns about health and safety in the Niagara area, the ministry carries out inspections and investigations of the establishments in that region. The inspection cycles are based on a number of factors including the presence of toxic substances, the number of workers potentially exposed, the nature of the industry, and accident and illness frequency.

Let me now turn to the remarks made by Mr. Wildman. Mr. Wildman first expressed a number of concerns in relation to the ministry's enforcement practices. In this context, he raised the case of Ms. Post, a former worker at English Plastics Inc.

Mr. Wildman alleged that the ministry had failed to take adequate action to address the concern raised in April 1984 by a relative of Ms. Post. Although the relative was simply asking for information about prosecutions and was not making a complaint, an occupational health branch official, accompanied by a ministry inspector, visited the work place and reviewed the operations in May.

Ministry staff spoke not only to management, but also to the workers' representative and no health concerns were identified. Based on the physician's observations and experience, it was his determination that air monitoring was not required. When the concerns of a former worker were identified in a recent Toronto Star article,

the ministry immediately sent representatives of the occupational health and industrial health and safety branches to re-examine operations in the plant.

No worker concerns were identified to ministry staff. Air velocity measurements were made and bulk samples taken. When those samples have been analysed, which will include identification of degradation products, the ministry will conduct appropriate air sampling. In addition, occupational health branch staff and the executive director have made attempts to speak with Ms. Post and her lawyer.

Current information indicates that Ms. Post had worked for a total of 52 hours on the afternoon shifts between February 23, 1983, and March 4, 1983. Mr. Wildman suggested he had received information that the machines and operations worked at by Ms. Post had been moved to Brampton.

Mr. Wildman: I misspoke myself; they had been moved from Brampton to Brantford.

Hon. Mr. Ramsay: There may be some confusion because the company is located in Brampton.

Mr. Wildman: They have another branch in Brantford and that is where the operation now is.

Hon. Mr. Ramsay: The sentence coming up is pertinent.

The ministry is unaware that any of the machines or operations have been moved elsewhere, but would be pleased to look into the matter further if Mr. Wildman will provide additional information.

Incidentally, on the question of that phone call—I did some checking on my own and discovered that during a six-month period between April 1, 1984, and September 30, 1984, we had 21,559 telephone calls similar to the call received from a relative of Ms. Post. It is significant that, with that number of calls, there was still a follow-up to the problem expressed, even though it was not in the form of a complaint. Nevertheless, our system worked so that officers did go out there, and that was one of almost 22,000 phone calls of a similar nature.

Mr. Wildman: My only response is I wish the ministry were as diligent in doing air monitoring as it is in counting phone calls.

3:40 p.m.

Hon. Mr. Ramsay: Mr. Wildman made a number of general statements concerning joint health and safety committees, suggesting that committees were not being appointed in some cases, and that worker members were being

selected by management in others. He also indicated that some committees were not meeting as required.

In every ministry inspection, the status of the health and safety committee is reviewed. The vast majority of these inspections disclosed that health and safety committees are being appointed and meeting as required. In the occasional instance where this is not the case, appropriate orders are issued. If Mr. Wildman has any specific concerns, as with the city of Windsor traffic engineering department case, which was drawn to our attention and in which appropriate action was taken, we would be happy to look into it.

Mr. Wildman also asked whether the ministry maintains a list of work places with joint health and safety committees and their membership. Although the ministry does not maintain such a list, since there is no requirement to notify the ministry, under subsection 8(10) of the act employers are required to post the names and work locations of committee members in a conspicuous place, and the ministry inspector ensures compliance with this section.

The Advisory Council on Occupational Health and Occupational Safety is about to conduct a survey of joint health and safety committees and I am looking forward to receiving the results of that survey and the council's advice so we may determine what further measures, if any, need be taken with respect to these committees.

Mr. Goodman will now address Mr. Wildman's concerns about health and safety committees for school boards.

Mr. Goodman: Mr. Wildman raised a concern with respect to boards of education complying with the requirements for committees in view of the recent promulgation of the teachers' regulation. He is quite correct that it has caused some concern on the part of some parties, particularly those workers represented by the Canadian Union of Public Employees, because of the ministry's interpretation of "work place" and the ministry's interpretation of whether the teachers are to be combined with nonteachers for the purposes of the count.

I have had a series of meetings with the Ontario Teachers' Federation. The latest one was last week. I was on the phone with a representative of the OTF only yesterday. He is making an attempt to convene a meeting of all the parties, including CUPE, so they may approach the ministry with a uniform view of what they want from the ministry.

The minister has written to Mr. Lambert twice and indicated he is prepared to meet with him, but until such time as we determine whether the parties can come up with a uniform position as to how they want the ministry to interpret the legislation, it will be difficult for the minister to decide on one interpretation or the other.

Mr. Wildman: It is important to realize, with all due respect to the OTF, that on the one hand you are dealing with people who have not been directly involved with occupational health and safety legislation or with the operation of committees in the past. On the other hand, Colin Lambert, who represents CUPE, has had considerable experience. The experience of the two is somewhat different and it may be difficult for them to come to a uniform position.

Mr. Goodman: You are quite right. For instance, those who have had experience as maintenance workers, warehousemen, and in other areas, such as Mr. Lambert, have more experience with the act. Some of the boards of education already have committees for non-teachers. Some have committees for teachers as well.

Mr. Wildman: I am concerned that one group may swamp the other group.

Mr. Goodman: I am hopeful this matter can be resolved. I think the act and the regulation are capable of a number of interpretations. What we are trying to do is to find one interpretation that the parties can live with and that the act is capable of bearing. I expect a resolution of the issue will not be long in coming.

Hon. Mr. Ramsay: Mr. Wildman next made reference to the internal responsibility system at Algoma Steel and Mr. Basken's involvement. He asked what my response would be to the letters dated November 23 from Dennis Abernot of the United Steelworkers, who is co-chairman of the joint health and safety committee. Ministry staff are currently looking into the matter.

I would be happy to send copies of my replies to Mr. Wildman. As he is aware, the ministry has one year in which to launch a prosecution.

Mr. Wildman next raised concerns relating to progress in passing regulations to control particular toxic substances.

While I believe the consultative process the ministry has adopted for developing regulations to control particular substances has been valuable in that all parties have had the opportunity to participate, I acknowledge the rate of progress has not been as rapid as we all would have liked. However, I would remind members there are

other provisions for protection of workers while the designation process is under way.

Consideration has been given to the use of generic regulations; that is, one that controls a number of substances. In the Ontario Gazette of November 24, 1984, a notice was published requesting comment on the possible grouping in a regulation of some 135 substances used as solvents. Clearly there are many other groups that might be controlled in a like manner. I await with interest the reaction to the notice relating to solvents.

Mr. Wildman referred to my letter of November 27, in relation to the order paper questions, and expressed concern that the ministry does not know all the work places in the province where designated substances are used. I will not repeat what I said in my earlier letters. We will certainly bear in mind Mr. Wildman's concern when preparing preliminary regulatory strategies on the "right to know" and designation.

I will now turn to isocyanates and Inglis Ltd. I do not intend to repeat the information contained in my letter of June 14, to which Mr. Wildman referred. As he knows, a number of meetings have been held with officials of the United Auto Workers and Inglis because of a request by the UAW for clarification of the inspector's decision on the employer's control program issued on March 12, 1984. Since an appeal of that decision is still possible, I am reluctant to get into details. I would be happy to provide Mr. Wildman with the report prepared jointly by the Ontario Municipal Board and the institutional health services branch of the ministry, on which the inspector based his decision.

Mr. Wildman suggested the sensitized workers at Inglis had heard nothing from the Workers' Compensation Board. Information received from the board, as of November 23, 1984, indicates 12 claims from the Stoney Creek plant have been received by the WCB, and nine lost-time claims were allowed. In addition, two claims were allowed for medical aid only.

Mr. Wildman: I was referring to rehabilitation. I guess you have not heard anything.

Hon. Mr. Ramsay: I see. That is coming. Furthermore, a number of workers were offered vocational and rehabilitation benefits so they could seek alternative employment. Should you wish to have any additional information, I would be pleased to provide it.

Mr. Wildman also asked what effect the recommendation regarding worker removal of the Royal Commission on Matters of Health and Safety Arising from the Use of Asbestos in

Ontario would have on the other designated substance regulations. Ministry officials are currently considering this very difficult issue. One of the considerations in the case of some substances is whether society is prepared to permit the worker to continue to work, despite the fact his health will be further impaired.

Next, Mr. Wildman asked about the status of compliance with the silica regulation by mine companies and in particular the Algoma Steel Corp. Ltd. and its ore operations. We have noted that silica was the one substance Mr. Wildman seems to have omitted from his order paper questions, and we would be happy to provide the information requested in a similar format in the near future.

Mr. Goodman will now deal with concerns about ministry enforcement practices at Mack Canada Inc., and provide a status report.

Mr. Goodman: I think Mr. Wildman expressed concern the ministry was relying on respirators as the first line of defence with respect to lead contamination in particular. Of course, the designated substance regulations, including the one relating to lead, require the employer take steps to reduce exposures to the level indicated by means of a number of controls, including foremost engineering controls.

However, there may be circumstances in which additional controls are necessary. In the case of Mack there were engineering controls in the particular paint booth in question.

Mr. Wildman: One booth.

3:50 p.m.

Mr. Goodman: An interior booth. I will give you a status report on all the booths in a moment, but the booth that was the subject of Mr. Deverall's article and the concerns that were expressed already had engineering controls. The question was whether those controls were sufficient and whether there should have been additional controls.

Mr. Wildman: Right.

Mr. Goodman: The ministry determined—not from a body count but from examining the particular booth in question, the air velocity, etc.—that the engineering controls for that particular booth were satisfactory. As an extra measure of protection, because, after all, it was a spray-paint booth with the possibility of paint being sprayed in the direction of workers, it said that in addition they ought to wear respirators. The ministry continues to rely on engineering controls as the first line of defence.

Mr. Wildman: With respect, I did not object to the use of respirators as "the first line of defence," to use Mr. Goodman's phrase. What I was referring to was the comments of the minister in the House to the effect that respirators were an engineering control. In my view, as a first line of defence that is fine, but to see them as a permanent aspect of an operation, such as the one at Mack, is not satisfactory.

The reference to the body count that I had was the fact that in the House the minister responded to me and my concerns about ambient lead levels to the effect that the blood lead levels were not at an alarming level. To me, that is a reversion to the body-count approach to health and safety.

Mr. Goodman: The minister's statement is self-explanatory. I have the statement in front of me. I do not believe he did indicate that respirators were a form of engineering control. He said, "Ministry inspectors reached the conclusion that respirators were an appropriate control mechanism in addition to the engineering controls already in place."

Mr. Wildman: Which were ineffective. I will not prolong it.

Mr. Goodman: Mr. Wildman also asked for a status report. Rather than taking up the time of the committee—it will take some time—I would be happy to send him this document.

Mr. Wildman: Yes, sure, thank you.

Hon. Mr. Ramsay: Next, Mr. Wildman turned to safety and underground mining. Mr. Wildman asked whether the committee on ground control and emergency preparedness would be looking into events leading to the tragic June 20 rockburst at Falconbridge.

Prior to my establishing the terms of reference for the committee, the president of the Sudbury Mine, Mill and Smelter Workers Union, Mr. Rick Briggs, met with me and made this request. As a result, the terms of reference make particular reference to this examination. Although ministry officials were present at the inquest and as a result are aware of the jury's recommendations, these recommendations have not been reviewed formally from the chief coroner's office. The recommendations are currently receiving close consideration.

In my opening statement I outlined the steps taken to improve knowledge and expertise in rock mechanics and ground control. As Mr. Wildman will be aware, the Burkett commission's recommendation for worker inspectors to be appointed has not been universally accepted. This was one of the major items discussed at the

November 26 meeting which I convened with representatives from labour and management in the mining industry.

At our next meeting, which will take place in mid-January, we will decide the future course of action with respect to the relatively few Burkett commission recommendations which have as yet not been fully implemented.

Mr. Wildman asked for a status report of the consideration by the Mining Legislative Review Committee on the subjects of rollover protection and ventilation doors. I would be happy to send Mr. Wildman a letter in this regard.

On the subject of window cleaners, Mr. Wildman asked for a copy of the recommendations of the coroner's jury that investigated the D'Andrade fatality. I have obtained a copy of these recommendations and am pleased to provide them.

Mr. Wildman: Will you also give me the ministry's response to those recommendations?

Hon. Mr. Ramsay: October 25 was when we received them so we do not have it yet.

Mr. Wildman: All right, fine. Thank you.

Hon. Mr. Ramsay: Mr. Wildman then asked why the ministry was not requiring that appropriate anchor points be installed in buildings and that retrofitting be undertaken where appropriate. I understand the task force on window cleaners has given serious consideration to these issues and that the report of this body is expected shortly.

I might note, at this stage, that the task force has met with representatives from the Ontario buildings branch of the Ministry of Municipal Affairs and Housing to discuss these matters in greater detail. With respect to the statistics requested by Mr. Wildman on prosecutions and repeat orders for window-cleaning operations, I would be happy to provide these at a later date.

Mr. Wildman asked about the division of responsibility between my ministry and the Ministry of the Environment relating to hazardous substances. I believe this is quite clear. The Occupational Health and Safety Act applies to all workers except those in farming operations and some others in private residences. The Ministry of the Environment administers the Pesticides Act and all activities indoors or outdoors subject to control by that act.

Mr. Wildman: You had better tell Andy Brandt that.

Hon. Mr. Ramsay: With regard to Mr. Wildman's concerns relating to the lottery funds administered by the ministry, an application

has been received from Windsor Occupational Health Information Services for lottery funding over a three-year period. This has been referred to the lottery awards committee chaired by Dr. R. Porter. All the members are drawn from nongovernment enterprises.

The application is for access to the ministry's computer link to the data in the Canadian Centre for Occupational Health and Safety system and for support for provision of information derived from this source to those making inquiries of WOHIS. I note that WOHIS, as a service of value to the community, has received United Way funding.

Two matters are under consideration that relate to the application. The first is the advice of the ministry's tripartite user committee, which oversees the use of the computer terminal, as to whether an access point in the WOHIS office would be appropriate. The second issue that awaits comment by the lottery awards committee is whether the application meets the requirements for funding from lottery funds. I do not wish to prejudge these issues, but I can assure you that careful and sympathetic consideration is being given to the application.

Regarding the Hamilton workers' clinic, in March 1981 the United Steelworkers of America, Local 1005, established the clinic to provide facilities for the clinical examination of workers, research work place hazards and assist workers with compensation claims and appeals. Local 1005 applied to the ministry's lottery program three times for sustaining funds. These were not approved because the program funded only research and training projects with fixed termination dates.

An application to fund a training program was under consideration by the ministry at the time the clinic closed in April 1983. The new Hamilton Workers' Occupational Safety and Health Centre opened October 15, 1984. A recent article in the Hamilton Spectator states that the clinic may be the forerunner of a centre involving other unions. I am advised that application for funding is to be made to the Ministry of Health, but such application has not yet been received by that ministry.

I would add that the ministry is preparing a discussion paper on the provision of occupational health services which will be circulated to labour, management and health professionals for comment and discussion.

That concludes my remarks.

Mr. Wildman: Mr. Chairman, I appreciate the minister's response and I look forward to

receiving the information he indicated would be forwarded to me. I just want to respond to a couple of things in the few minutes we have.

With regard to the Saskia Post case at English Plastics, I did correct the record as to the removal of processes to another plant in Brantford. I want to emphasize that—

Mr. Gillies: Does it operate under that name?

Mr. Wildman: I do not have that information with me; I do not have the file here. I would have to check.

Mr. Gillies: I am not familiar with the name. There are some plastics companies—

Mr. Wildman: I do know that the plant in Brantford is owned by the same gentleman.

The conditions at the Brampton plant have changed substantially since Ms. Post worked there and since the Ministry of Labour received questions about the damage to her child. The conditions the ministry is checking at the plant—and I commend the ministry for taking action now—are different from what they were before.

4 p.m.

I want to emphasize, as I did in the House, that while the minister points out there have not been complaints from the workers at this plant, it is important for us to recognize once again the vulnerability of nonunionized work. Despite the fact that the ministry has said repeatedly workers can contact the ministry anonymously, most workers are not aware of that, and even if they are, unfortunately—or whatever your view of it is—they often do not trust their futures in work places to that kind of process.

While Ms. Post's period of time at the plant was short, it is important to recognize she was in the first term of her pregnancy and the type of damage the baby has experienced has been established by medical specialists as the kind of damage that would occur during that period.

The conditions as reported to me at the time she worked there were really appalling. The fumes coming from the machine at which she worked were so bad, I understand, that after she pressed down the forming machine she had to duck under the machine in order to avoid the fumes coming from it.

With regard to the arguments that have been put forward by the management about temperature, we have information, I understand, that Ms. Post's lawyers gathered from workers at the plant that much higher temperature levels were actually experienced.

I will not go on at length about this. I think it is very sad that at the time the ministry officials responded to this phone call, as the minister said they did, they merely talked to management and labour people at the plant and did not attempt to find out by testing what specific chemicals were there and what levels were in the air.

I believe the ministry must attempt to find out what levels of these substances are present in all plastics plants, not just English Plastics, to ensure there is adequate ventilation to protect workers, these plants have material data sheets that can be made available to the ministry, and the air quality is monitored to ensure there is adequate protection.

I understand this matter may be brought to litigation, so I will not go on at length about that.

In regard to the comments made by the minister with regard to the situation at Algoma Steel Corp., just about half an hour ago I was on the phone to Dennis Abernot. He informed me that in his meeting with Mr. Basken and management people yesterday—I think I said this morning it was today—he showed Mr. Basken the copy of the letter I received from the minister dated November 6, which I had given to Mr. Abernot. Mr. Basken, I understand, agreed with Mr. Abernot that the information provided in the first full paragraph on page 2 is inaccurate. It states here:

"The next point raised in your August 15 letter concerns the steps that my officials have taken to investigate a work refusal and alleged reprisal," which is the matter I raised this morning regarding Wayne Jolicoeur, "that occurred in the work place on August 3, 1984. I am advised that the ministry was informed that a work refusal had taken place on Tuesday, August 7, 1984, following a long weekend. I understand the matter was investigated on the same date."

That is inaccurate information, and Mr. Basken, I understand from Mr. Abernot, agrees it is inaccurate.

"I am advised that our investigation revealed that the refusal had been dealt with internally, but that an investigation under subsection 23(4) of the act had not been conducted by the employer or a supervisor." Again, Mr. Abernot certainly believes the statement that it had been dealt with internally to be inaccurate.

"I am informed that on September 13, 1984, an order was issued to the employer under subsection 23(4) of the act. I am also advised that on August 15, 1984, a complaint was made...to the Ontario Labour Relations Board," which is correct. You then go on to state in your letter that

you do not want to comment further because it is a matter before the board.

Mr. Abernot indicated to me by telephone that management had again indicated concern about the fact that he had written to the minister with regard to the question of prosecution and had sent copies to me.

Hon. Mr. Ramsay: I do not get your point.

Mr. Wildman: In Mr. Abernot's opinion they seem to think that because they have an internal structure for dealing with occupational health and safety concerns, regardless of whether the union is unhappy with what is or is not being done, they should just be dealing with it internally; people should not be writing to the minister, who happens to be the local member, and sending me copies.

They seemed to think this was getting it into the political arena—I think that was the term used. Of course, that is getting it into the political arena, but it is a political process.

Mr. Abernot made it clear that he thinks Mr. Ramsay, as his local member, is interested in these issues and he is determined to continue following this protocol. I think he has also indicated to management that since I represent the neighbouring riding and a number of workers at Algoma Steel come from my riding, he intends to continue sending me copies of letters.

Mr. Chairman: Mr. Wildman, I would just draw your attention to the clock. We agreed we would wind up at 4:05 p.m.

Mr. Wildman: Okay. I will just finish off by saying that he would rather not go this route. He is determined, on behalf of the membership of Local 2251, to use every avenue available to him

to ensure the act is adhered to by management. Management seems to take the position that he should not be seeking prosecutions because it has an internal structure for working out problems.

I think his position is that if management can assure him it will not in any way ever take reprisals against workers, he will not take reprisals against management.

Mr. Chairman: We will go on to vote 2404.

Items 1 through 6, inclusive, agreed to.

Vote 2404 agreed to.

Mr. Chairman: This completes consideration of the estimates of the Ministry of Labour.

Hon. Mr. Ramsay: Mr. Chairman, I would like to make two comments.

The first is to repeat what I said earlier: that I would like to make the commitment, if I am still Minister of Labour at the time the estimates are considered in 1985, to meet with the two opposition critics and to determine a format for the estimates that we would provide to you, as chairman, seeking your approval. I want it to be understood that the commitment has been made and I would like to do that.

Second, I want to say very seriously that these estimates have been very beneficial in many ways. The dialogue has been excellent. The suggestions have been constructive. In every case, the questions have been informed and I think it has been a worthwhile exercise. I thank everyone involved for his diligence and interest, and for the civility in which the estimates were conducted. Thank you very much.

The committee adjourned at 4:09 p.m.

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 Haggerty, R. (Erie L)
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 McLean, A. K.; Chairman (Simcoe East PC)
 Ramsay, Hon. R. H., Minister of Labour (Sault Ste. Marie PC)
 Wildman, B. (Algoma NDP)

From the Ministry of Labour:

Armstrong, T., Deputy Minister
 Aynsley, D., Registrar, Ontario Labour Relations Board
 Brown, G. A., Executive Director, Ontario Human Rights Commission
 Burak, R., Executive Director, Finance and Administration Division
 Goodman, B., Executive Director, Occupational Health and Safety Division
 Herman, R., Solicitor, Ontario Labour Relations Board
 Ignatieff, N., Special Adviser to the Deputy Minister
 Illing, R., Director, Ontario Conciliation and Mediation Service
 Scott, J. R., Director, Employment Standards Branch



No. G-16

Hansard

Official Report of Debates

Legislative Assembly of Ontario

Standing Committee on General Government
Estimates, Ministry of Community and Social Services



Fourth Session, 32nd Parliament
Monday, December 10, 1984

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Monday, December 10, 1984

The committee met at 8:09 p.m. in room 151.

ESTIMATES, MINISTRY OF COMMUNITY AND SOCIAL SERVICES

Mr. Chairman: Gentlemen, we will deal with the estimates of the Ministry of Community and Social Services. I understand the minister has an opening statement.

The member for Windsor-Sandwich (Mr. Wrye) asked me the other night in the House whether it would be all right if the member for Bellwoods (Mr. McClellan) took over after the opening statement of the minister. That was agreed to.

Hon. Mr. Drea: Mr. Chairman, before we start, I should say we appreciate the fact that the standing committee on general government has extended its services to hear our estimates because of the crowding in the standing committee on social development.

I am pleased to present tonight these 1984-85 budget estimates for the Ministry of Community and Social Services. My staff have worked hard this year on matters of great importance to the people of Ontario and, if I may say so, we have accomplished a great deal.

I appreciate the time available for your deliberations on these estimates is short. Accordingly, I have instructed my staff to prepare concise, detailed summaries of the major product areas that are the responsibility of my ministry. As well, many of your questions may be answered by the directions indicated in our five-year corporate plan, which has been made available to you, and by the 52nd report for the fiscal years 1982-83 and 1983-84.

This past year has been a year of major accomplishments for my ministry. Once again we confronted the now familiar challenge of meeting a growing demand for social services within an economic climate that only now is beginning to recover from a debilitating recession. Last year I presented total printed estimates for 1983-84 of \$2.26 billion. Our current printed estimates anticipate total expenditures for the ministry of \$2.51 billion.

It was in recognition of the fact that we must carefully preserve our resources that two years ago my ministry staff began preparation of a corporate plan. Let me comment briefly about

the thrust of that plan to provide the basis for your better understanding of our current operations.

The future must begin today in the provision of care in Ontario; otherwise, we will be overwhelmed by the changes sweeping our society. The need of society for social services is in constant flux. The family structure has changed, and this has been a factor in the large increase in the number of women in the labour force. As well, we are living in a society that continues to age. The effects of a lower birth rate and extended lifespans are already being felt. In 1971, people 65 and over represented 8.4 per cent of our population; in 1980, they made up 10 per cent, and in a few decades they will account for more than 20 per cent.

A changing society means changing needs, and it is the responsibility of my ministry not merely to react and respond to those needs but also to anticipate them. Accordingly, to prepare for the realities and challenges that will confront us in the future, my ministry initiated a corporate planning process two years ago to lay out comprehensive long-term plans in six key areas: income maintenance and family support, children's services, services to the physically handicapped, services to the developmentally handicapped, services for the elderly and resource management.

While I will discuss each of these areas in greater detail to advise you of what we are doing today and of what we will do in the future, permit me first to comment generally on the corporate plan.

Three basic themes are reiterated throughout the plan. It acknowledges the importance of the continued development of community-based services, it encourages greater self-reliance on the part of the people being served and it stresses the importance of working co-operatively with our partners in the community in planning and delivering social services.

As you know, these themes are not new to my ministry. They are an essential part of the ministry's mandate which, according to the corporate plan, is to take a leadership role in promoting the planning and provision of a range of social services that will enhance the self-reliance of individuals and families in Ontario,

and to ensure, by encouraging good management practices, that these services are available.

To achieve these ends, the corporate strategy outlines steps that will increase the responsiveness of Ministry of Community and Social Services family and income support services; integrate children's services into streamlined systems to make the most efficient and effective use of resources; meet the needs of the growing number of elderly people in partnership with other governments, ministries and agencies; maintain the impetus of the five-year plan for the expansion and development of community services for developmentally handicapped people; sustain and enhance cohesive, complementary support systems that enable physically disabled people to live and work in the community; and finally, develop a results-oriented management style that is responsive to changes in government and community needs.

I would like to discuss each of the major corporate planning areas and describe to you the accomplishments of the ministry in each area.

As you know, my ministry dedicates approximately \$1.2 billion, representing half its budget, to general welfare assistance and family benefits. This is a major program area, and it will be dealt with at length by a member of my staff, who will acquaint you with historical and recent trends.

For the moment, let me say that during the past 15 years the family benefits allowance and general welfare assistance case load has increased in total by 153,000, for a gain of 150 per cent. The reasons for this increase are many. Higher unemployment, population growth and an increase in the number of sole-support parents all contribute to the growth in case loads.

We have also extended support to many new categories of adults, and even in some cases to children. This was done in 1977 through the handicapped children's benefit, which in itself added 3,000 cases to the family benefits program.

Finally, there has been an increase in the numbers of physically and developmentally handicapped people living in the community whose service needs five years ago would have been accounted for in the general budgets allotted to our institutions.

Over the past 18 years a number of initiatives have been taken to reduce the cost to our municipalities of providing social assistance. In 1967, eligibility for provincial allowances was considerably expanded through the establishment of the Family Benefits Act. This was primarily in the area of assistance to sole-support

mothers. Since then such categories as the permanently unemployable, separated mothers, disabled wives and sole-support fathers have been added to the program. In today's dollars, these initiatives are saving municipalities at least \$110 million annually.

This government and this ministry are acutely aware of the need to maintain a balance of financial responsibility with municipalities in the provision of social services. This attitude is not going to change. In this regard, some two years ago my ministry launched a number of pilot projects to test the functional integration of family benefits allowance and general welfare assistance and a comprehensive employment support package for able-bodied, sole-support parents at the municipal level.

As you are aware, the concept of integration is not new. In fact, as early as 1974, integration was recommended by the Hanson report and subsequently endorsed by regional review commissions and others involved in social services delivery. Between October 1982 and March 1983, provincial and municipal representatives co-operated to launch integration projects and employment support initiatives in the regions of Peel and Waterloo, the counties of Lanark and Dufferin and the cities of Peterborough, Windsor and Thunder Bay. Also, early in 1983, projects to test employment support initiatives only were begun in Toronto and Ottawa-Carleton.

In all the test municipalities, integrated operations were extended until December 31, 1984, to allow a comprehensive review. I would like to bring you up to date with respect to the test projects and what has happened over the past 18 months.

First and foremost, all our expectations that integration would vastly improve the efficiency and practicality of benefits delivery have been justified. The municipalities that participated are more than satisfied and so are we. All sites overwhelmingly indicate there has been an improvement in service to clients through reduction in the waiting period for benefits.

Need I remind members that five years ago, when the administration of family benefits allowance was centralized in Toronto, there was a 16-week waiting period before the first FBA cheque could be issued? Since then, my ministry has decentralized family benefits and has cut the waiting period almost in half, to eight to 10 weeks. Integration has further reduced that time lag to four weeks.

The single-window approach has also meant the elimination of client confusion arising from

dealing with two bureaucracies. A client satisfaction survey undertaken as part of the monitoring process showed a satisfaction rate of more than 85 per cent with respect to integrated delivery of family benefits and general welfare assistance. I should mention that the survey was made by independent consultants contracted by a joint committee made up of representatives of this ministry, the Association of Municipalities of Ontario and the test municipalities themselves.

Mr. Foulds: Can we just check to see whether it is the final form?

8:20 p.m.

Hon. Mr. Drea: Most of it was tabled at the Association of Municipalities of Ontario convention.

There have been benefits too for municipalities. Significant savings have been achieved through faster transfer of eligible clients from general welfare rolls to family benefits allowance. The reduction of duplication and streamlining of service delivery to clients also represent real and significant costs savings to taxpayers.

However, there is no more convincing testimony to the success of the project than the unanimous recommendations of all seven test municipalities that we proceed with integration at the earliest possible date. Negotiations are now under way with the test municipalities to continue integrated operations.

Also, nothing can be more gratifying than the awareness that integration and employment support initiatives provide a more sensitive and responsive service and help to contribute to a better way of life for clients. The work that has been done demonstrates this beyond a doubt.

With respect to employment support initiatives, or ESI, I think one can say with pride that these programs were also an unqualified success. This is evidenced by overwhelming participation by recipients, which exceeded all expectations. In the first 20 months of the projects, approximately 7,000 people were enrolled, with almost 1,600 achieving full-time or part-time work and 3,000 others involved in training and academic upgrading.

As a result of the success we experienced with ESI, we began to develop a cost-sharing package that would support a new series of employment initiatives to assist other long-term social assistance recipients in achieving economic independence. To avoid duplication, we sought the collaboration of the federal government in the development of joint support for recipients

during the transition period between training and development.

The new initiatives are the employment opportunities projects for the recipients of social assistance, and they make up the three-year, \$120-million package for our ministry of employment programs announced by the Treasurer (Mr. Grossman) in his May 15 budget. They have been introduced, I should note, with the co-operation of our service partners: the municipalities, the Ontario youth secretariat, the youth employment counselling service, the Canada Employment and Immigration Commission and community service agencies.

The beneficiaries are single parents, the disabled and young people who have been receiving welfare assistance for an extended period of time. The youths being served tend to be school dropouts with no previous work experience. They have never been exposed to the discipline and demands of a working environment, and they are lacking in the job and life skills that would make them job-ready. Without help, their prospects in a tight and competitive labour market are bleak.

The employment opportunities projects take many forms. They include the following:

An expansion of employment support initiatives. We expect 12 new municipalities will participate in the project, while we will maintain and enrich the projects already under way at the original nine test sites. These programs, offered through 21 major communities, will reach 70 per cent of our single-parent case load;

A youth employment preparation program, which will provide individual employment preparation and support services for young people on social assistance;

Training placements of social assistance recipients in the private sector, which provide a short-term work experience for clients preparing for employment and self-sufficiency;

The career access program, a wage subsidy program for private employers, has already received referrals of more than 7,000 family benefits allowance/general welfare assistance clients. Of these, 4,000 have been placed in jobs. We negotiated support for this program, I should mention, with the federal government;

The social service employment program, which provides job-ready, single-parent clients with work experience for a six- to 12-month period to enable them to secure permanent full-time work;

An employment liaison program, by which the ministry and municipalities provide job de-

velopers who generate private sector opportunities for employment-ready recipients, including the graduates of the employment support initiatives and youth employment opportunities programs;

Summer and part-time employment programs for the student dependants of FBA and GWA recipients. This past summer, 860 young people who had completed one-week job-readiness training programs found work for a six-week period;

The preparation for independence program, which will prepare adolescents in residential care for independent living and employment;

Community youth supports to provide staff support for special-needs youth—for example, teen-age single parents or native youth living in urban areas—who are seeking to enter the work force; and finally,

A residential centres program, funded by the Board of Industrial Leadership and Development, which will provide supportive living situations along with intensive basic education, vocational training life, life skills training and counselling for socially and economically disadvantaged youth aged 15 to 19.

In other jurisdictions, hard times have brought about cutbacks in social services. This government, however, has not just continued to meet its commitment to alleviate the real financial hardships confronting many people; in fact, it has increased its levels of assistance.

In October, for example, we announced a \$61.8-million improvement to our social assistance programs. In many cases this meant that rates were raised. It also brought about the introduction of new benefits to meet the needs of disadvantaged people.

The package provided permanent allowance increases to the majority of family benefits and general welfare recipients across the province. The package also provides dental coverage for handicapped recipients of family benefits and extends benefits to people without children. This means all family benefits allowance recipients, not merely those with children, will receive this dental coverage.

As a result of this initiative, the majority of single people and heads of households on FBA and general welfare assistance will receive a 4.5 per cent increase in their basic allowance. Dependent children of recipients will receive an average 7.5 per cent increase in their portion of FBA and GWA allowances. This will provide extra assistance to some 180,000 dependent children.

The maximum shelter subsidy for single people with high shelter costs will be increased by \$10 to \$100 a month. The shelter subsidy for families with high shelter costs will be increased to an overall maximum of \$155 a month, up \$15 a month.

Recipients in remote parts of northern Ontario will be eligible to receive up to an extra 20 per cent supplement to their assistance to defer the high costs of basic needs in the far north.

In the 1982-83 fiscal year, my ministry also introduced a program in co-operation with a number of churches and municipalities to provide short-term winter assistance to disadvantaged people living primarily in large urban centres.

The program provides shelter and nourishment for people with an immediate and urgent need. The aid is dispersed through a variety of projects, including emergency hostels, drop-in centres and emergency centres which dispense food and other necessities.

This year the program is being continued. We are providing \$1 million to carry on this work in many areas. Since this is largely an urban problem, the funds will go to such communities as North Bay, Sudbury, Ottawa-Carleton, Metropolitan Toronto and many others.

We must face the unhappy reality that there is a definite need for this kind of service at this time. We are grateful for the co-operation and willingness of the churches and municipalities that are helping us to deliver it.

In our delivery of services this year, we have also been mindful of the need to provide immediate emergency aid to victims of family violence. This is an area that is perhaps one of the most serious social problems we face today.

Eliminating violence in the home is a top priority of this government and of this ministry. To this end, we have worked closely with the Ontario women's directorate over the past 12 months to develop measures in the areas of education and public awareness.

This ministry will expand the current provincial shelter system by adding 12 new facilities to a network which already contains more than 50 transition houses and family resource centres for women in crisis. We will also introduce new emergency assistance services and preventive measures.

In total, these new initiatives represent additional spending of \$3.5 million in 1984-85 and on an ongoing basis. This increases our allocation for services for battered women and their children to more than \$10 million this fiscal year.

This funding makes it possible:

To provide startup funds and operating funds for six new shelters, to be established in municipalities where women's groups and municipalities have developed plans for services;

To provide startup funds and operating funds for four new eight- to 10-bed family resource centres to serve women in crisis and their children in small isolated municipalities;

To provide funds for two new shelters for immigrant women now being negotiated with churches and with ethnic women's groups. We are heartened by the interest expressed in this area by the churches and groups;

To provide funding for a network of "safe homes" in rural areas. These are private family residences that will provide short-term emergency shelter to battered women and their children;

To provide funding for pilot projects to develop local or area crisis telephone services in selected communities to give emergency help and information on resources for battered women; and

To provide funds to purchase the services of outreach workers from existing community agencies who will give emergency counselling and assistance to women in safe homes in rural areas.

In the same vein, let me note that we are continuing to support the important work carried on at the Ontario Centre for the Prevention of Child Abuse. The centre brings together all three of the ministry's ongoing child abuse prevention activities: the children's aid society training courses, known as Garber training; my ministry's child abuse prevention program; and the child abuse register. We are determined to interrupt the tragic cycle of child abuse.

8:30 p.m.

This year we are financing multidisciplinary training programs and consultation services offered at the centre to professionals from across the province who deal with abused children and to provide multidisciplinary support and to co-ordinate research into child abuse. The centre also serves as a clearinghouse for resource materials and maintains a central child abuse register.

As a result of our educational initiatives, we have made both the public and our child care professionals more alert to this terrible problem. Police officers, paediatricians, school officials, lawyers and other professionals who have studied at the centre now know the signs and

symptoms of abuse and they know how to respond.

The problem of child abuse is also addressed, as are many other crucial areas of children's services, by the new Child and Family Services Act, which will be presented tomorrow to the House for its final reading. Members of this committee who also serve on the standing committee on social development need no introduction to the bill. They worked long and hard on its preparation, as did members of my staff.

The act is the result of a process of massive consultation and analysis that has been under way since 1982. It is one of the major achievements realized this year by my ministry. The result is an outstanding piece of legislation that ensures the protection and wellbeing of children and that honours the principle of family autonomy.

There are so many important aspects of the legislation that it is difficult to speak of the highlights. Permit me to mention a few. The bill provides for:

The more effective protection and care of children throughout this province;

The establishment of highly qualified teams of professionals to tackle the problem of child abuse on a case-by-case basis;

Measures to encourage and stabilize long-term foster-care relationships;

The provision of services to children and families in the French language where appropriate; and

The greater involvement of native and Indian people in the provision of services to the children in their communities.

One aspect of the bill that is particularly gratifying to us all, I am sure, is those provisions which enable the native and Indian peoples of this province to share in the delivery of children's services.

This fall, Robert McDonald, my deputy minister, signed an agreement that was truly historic, with Dennis Cromarty, the grand chief of the Nishnawbe-Aski Nation and his six tribal council chiefs. The agreement will provide for the gradual transfer of child welfare services and programs over the next five years.

Chief Cromarty, speaking for the tribal councils of the Central, Kayahna, Muskego Cree, Pehtabun, Wabun and Windigo, called the signing of the agreement a historic and important stage in the lives of the Indian people. It represented as well an important landmark in the progress of this ministry in disseminating its

services and providing them, whenever possible, through local agencies.

The Child and Family Services Act, when it is passed, will establish Ontario as a world leader in the provision of children's services.

As a further commitment to the parents and children of the province, we are bolstering our child care system by an expenditure of approximately \$115 million in 1984-85. The major thrust of the program will provide for:

The provision of 1,500 additional formal licensed subsidized spaces to communities across the province, augmenting the 25,000 subsidized spaces already funded by the ministry.

Mr. McClellan: Are these day care spaces?

Hon. Mr. Drea: Child care, yes. They were announced just after the budget.

Mr. McClellan: It is not clear what kind of spaces you refer to.

Hon. Mr. Drea: Child care.

The new spaces are being financed by a \$6.1-million increase in our printed estimates, of which \$1.9 million has been set aside for special child care programs.

The program will also provide for:

The continuing development of new licensed spaces to increase the number of children being served through the regular day care system, which now serves more than 90,000 children across Ontario;

The development of new rural child care resource centres to provide support and information to parents and to providers of informal child care;

The expansion of child care projects developed under the province's employment support initiatives program;

Assistance in the development of seven new work place child care centres in selected areas across the province. Notable among these are centres maintained at the Polysar plant in Sarnia and at the Wheels Inn in Chatham. Another centre, established in co-operation with the Durham Board of Education, provides a centre for the small children of staff and teen-aged mothers.

Special services are, of course, required by children with special needs. In the fiscal year 1984-85, we will spend almost \$5 million to help 3,500 developmentally handicapped children to live at home with their families and \$2.7 million to provide special services to children in community residences and ministry facilities.

Since 1981, when the special needs/special services program commenced, some 7,600

families have received financial assistance to obtain items and services ranging from specialized hearing programs and language development to artificial limbs and wheelchairs. We know from the communications we have received from parents that this program is important not only for the direct assistance it provides but also for the reassuring message it sends to parents that their problems are recognized and are of concern to this government.

The principal dedication of any family and any society is to its children. Recognizing this, my ministry has committed \$500 million through a variety of programs to their protection and development. Money for children has flowed through children's mental health, juvenile corrections, child care and numerous other policy areas. My ministry operates with the clear and continual understanding that the most treasured resource of this province is its children.

The fiscal year 1984-85 will also be memorable in years to come for marking the long-range expansion of our attendant care services for people with severe physical handicaps. This program, which was announced in the Treasurer's budget, will increase the number of handicapped people provided with attendant care from the 424 being served to 1,054 during the next five years. The clients of the program require assistance with the daily living functions that would otherwise pose an insurmountable barrier to the fulfilment of their wish to live on their own with dignity and autonomy.

The service is provided, as it has been in years past, to handicapped people living in designated rent-g geared-to-income apartment complexes and in shared housing in the fiscal year 1984-85. During the next five years, 390 new clients will be introduced to this aspect of the program.

As well, for the first time we are providing a similar service on an outreach basis to handicapped people living outside the designated units. Thirty such programs will be established during the next five years to provide attendant care to 240 clients living on their own. The attendant care program has been extremely well received and has made the difference, for many of the people benefiting from these services, between personal autonomy and a life spent in an institution.

I am also pleased to be able to report that the five-year plan of deinstitutionalization is on schedule and has been extremely well received by everyone concerned. The letters of comment we have received from the parents of developmentally handicapped adults moving back into

the community and from concerned professionals have been overwhelmingly favourable.

To date, we have moved 487 former residents of institutions into the community. As this time the Pine Ridge, Bluewater and St. Lawrence regional centres are all closed and soon will be joined by the St. Thomas Adult Rehabilitation and Training Centre. By the end of this fiscal year, 88 residents of the Oxford Regional Centre will also have moved on to community placements. In the meantime, planning for the reduction of the numbers of residents at D'Arcy Place and Whitby Durham Regional Centre is well under way. These developments, which have brought the dream of community living to reality for so many residents of institutions, have also been extended to developmentally handicapped people living at home.

To pave the way for this shift of services into the community, we have developed 274 group home spaces, 228 spaces in special support homes and 362 family homes and supported independent living spaces. We have upgraded 158 spaces in group homes to meet the needs of severely handicapped people and we have developed 785 workshop and life skills spaces.

These numbers prove that the move is progressing smoothly and efficiently. More to the point perhaps is this observation contained in an editorial in the St. Thomas Times-Journal about the closure of the St. Thomas Adult Rehabilitation and Training Centre. The editorial pointed out that experts at the ministry had been viewed as culprits during the early stage of the move and that their reassurances that the shift in services was for the best had been widely disregarded.

To quote this editorial: "It is certainly no accident that this smooth transition is taking place. It is the result of a lot of hard work by many individuals, including START staff and those involved with the St. Thomas-Elgin Association for the Mentally Retarded." The editorial noted as well: "There have been reports of ministry personnel bending over backwards to ensure that the transition went well and that all the needs of the residents were met."

I should also note that every employee at the discontinued institutions was offered at least one and in many cases several employment opportunities within the ministry. The vast majority have accepted alternative employment within the civil service.

8:40 p.m.

As I noted earlier, my ministry has consistently maintained certain principles through-

out all the areas in which we provide services. I believe all our programs are enlightened by a respect for the individuals we serve and a compassion for their needs and desires. This has been reflected in the Young Offenders Act, which has now been implemented.

The act is fully compatible with the objectives of my ministry in regard to children and youth. On the one hand, a fundamental principle of the act is that young offenders must take responsibility for their actions. On the other hand, the act recognizes that young people cannot be held as accountable as adults, since they are not yet fully mature.

As a result, the act provides for a wider range of possible dispositions for young offenders than was previously set out under the Juvenile Delinquents Act. It also reinforces our commitment to the belief that, if possible and practical, the best place for the young offender is in his or her own community.

I am pleased to report that the number of new probation cases this year dropped by 16 per cent and offences by law breakers under 16 years of age dropped by more than 10 per cent. As well, over the past decade, the number of young people in the province's training schools declined from 1,500 to less than 400. At the same time, the number of secure institutions was reduced from 15 to five.

Part of the explanation for this reduction can be found in the full range of programs that have long been provided by my ministry and now, under the act, are mandatory. These include programs in such areas as community service, probation, open custody and secure custody.

What we have done in Ontario is to create community alternatives to training schools. For example, last year young offenders invested thousands of hours performing community service work. This not only benefited the people of the province but also gave offenders a sense of accomplishment and a renewed self-respect which I know will stand them in good stead.

Obviously, foremost among the challenges of the future is the provision of care for the elderly. This year we expect to spend \$222 million operating our major programs for senior citizens. Approximately another \$10 million will be channelled to seniors through homemakers' and nurses' services and through improvements to buildings for the care of aged people and to centres that house social activities for the aged.

It is our intention, as outlined in the ministry corporate plan, to develop a comprehensive system of community and home support services

that will allow aged persons with special needs to continue to live in their own homes, neighbourhood or family context for as long as possible.

To that end, we will spend \$5.6 million on home support services for the elderly. This is an increase of \$1 million over last year's figure and will pay for such important services as Meals on Wheels, friendly visiting, telephone contact, transportation and assistance in the home.

We realize that while such services are a godsend to many elderly citizens, others will require a level of care that can be provided only in an institutional setting. Accordingly, in the years ahead we will promote the development of a rationalized and geographically accessible system of long-term institutional care. We have already begun the construction this year of two new facilities: a unique day care centre for seniors at the Rockwood Terrace in Durham and the new Rainycrest Home in Fort Frances, a reconstruction project that will cost \$8 million.

Time prohibits me from speaking to you of more than a few of the achievements and initiatives undertaken by my ministry this year. There are certain areas of interest, however, that I believe should be discussed in some detail. Accordingly, members of my staff are on hand to provide you with information related to our major program areas.

Last year, during discussion of my ministry's budget estimates, members of the standing committee on social development focused their queries upon two key areas: the growth in our family benefits and general welfare case load and the work we have done in the area of developing programs for developmentally handicapped people. They were particularly interested in the triministry projects and our special needs at home program for children.

If it is the wish of this committee, members of my staff are prepared to make presentations in these areas that will convey to you detailed information quickly and concisely. Of course, I too will be pleased to elaborate on any aspect of these estimates or to clarify any confusion. The ministry this year has undertaken major new initiatives and strengthened many programs which I will be more than pleased to discuss with you.

I am pleased to report that Ontario remains the unquestioned leader in the provision of social services, which is an achievement we can all take great pride in.

Mr. McDonald: Mr. Chairman, we have prepared a short visual presentation on the triministry project on the special needs at home

for children. Mr. McClellan asked some specific questions about that last year in estimates and in the Legislature. It is approximately a 20-minute presentation. Could I have a feeling from the committee whether they would like to see that now or after Mr. McClellan makes his statement?

Mr. McClellan: I am in the hands of the committee. I had some concerns that I wanted to raise about the triministry project in the program, the five-year plan to deinstitutionalize the developmentally handicapped.

It might be helpful if I did my leadoff. Then, as part of the ministerial response, some of the questions I raise could be dealt with. It strikes me as a helpful way to proceed. I do not intend to take a long time in my opening remarks.

Mr. Chairman: It is entirely up to the committee. If you feel you would like to make your opening statement first, it is quite agreeable to me and to the rest of the committee. The only thing is that there might have been something of value to you for your statement. It is entirely up to you. Do you want to lead off?

Mr. McClellan: I would not mind, yes. You are aware that I am pinch-hitting for Richard Johnston, who is absent because of illness. We are hoping he will be back in the Legislature at least briefly before the end of this week, and that he will be back in harness in the new year and able to resume his duties.

As I say, I am pinch-hitting. I want to touch on a couple of areas—I think that would make the most sense—and I want to start by dealing with a set of ministry programs that are perhaps dearest to my own heart. Those are the ministry's attempts to implement the recommendations of the Williston report in the 1974 green paper on normal community living for the developmentally handicapped. I have done a fair bit of work on this over the years and have tried to monitor the program fairly carefully. I want to start by raising some real concerns.

My sense is—and I say it very bluntly—that the ministry has fallen behind in the development of community alternatives, both residential programs and other kinds of support services that were so essential in Mr. Walter Williston's original blueprint and remain essential to the success of any program of deinstitutionalization.

I want to review some material that is relatively recent: a survey of adult protective services workers across the province, prepared in November 1984. The minister and members of the committee will be aware that adult protective services workers are special kinds of advocates for mentally retarded people. Their job is to fight

to try to obtain for the individual developmentally handicapped person his or her proper array of programs and services, to make it possible for him or her to live in the community and receive the necessary support services.

The survey that was completed in November 1984 by the Ontario Association for the Mentally Retarded should cause the minister and his staff some real concern. There was a survey of 18 adult protective services workers in the following regions: the north, south and central areas of Hastings county; Kingston; the North Shore area around Espanola; the central and eastern areas of the district of Parry Sound; Metropolitan Toronto; North Bay; Dryden; Sioux Lookout; Uxbridge; Brock, Thorah and Scugog townships; the area from Sault Ste. Marie to the Montreal River; Barrie; the eastern part of Leeds county; Fort Erie, and the regional municipalities of Ottawa-Carleton, Peel and Niagara.

8:50 p.m.

Virtually every part of the province was surveyed, with the exception of southwestern Ontario. It is a reasonable sample. It does not pretend to be a scientific survey, but it is a reasonable and representative sample of the kinds of things that are being experienced by adult protective services workers as they attempt to find programs and services for developmentally handicapped people who have returned to the community.

First, and this is a matter of concern, there is a tremendous variation in the case load. Some of them had case loads in the vicinity of 22, and some of them had case loads as high as 71. If the ministry wants to destroy an excellent program—and the minister knows I am a strong supporter of the protective services worker concept and of the program—the best way to do it is to get those case loads up around 71 so that it becomes impossible for the workers to do their job properly.

There is a certain consistency in the responses. Of the 16 workers reporting on the survey, 11 listed community-based residential services as the most scarce resource. The lack of residential services for adults was reported by 11 as the most significant problem.

Of the 16 workers, 11 listed the lack of vocational services as their first, second or third priority. Vocational services, overall, was the second most significant problem. The same number of workers listed respite services for adults as their first, second or third priority, and it ranked with vocational services as the most critical concern.

Transportation was listed as a very serious problem in a number of rural areas. Urban areas had relatively few problems with transportation.

The preliminary survey, and I am reading from the Ontario Association for the Mentally Retarded document, indicates that residential services of all kinds for adults with mental retardation are at a premium and that people are being institutionalized as a result. In some areas the need is so critical that the residential services system could be said to be in total disarray.

On page 2, they go into more detail about the very damning statement that people are being reinstitutionalized because of a lack of resources.

The most distressing aspect of the survey is the number of adult protective services workers who have indicated that people are being institutionalized in totally inappropriate settings because of lack of resources for them in the community. Fifteen of the 16 APSW respondents indicated that clients in their areas have been institutionalized for this reason. The 16th, the one remaining respondent, indicated the only reason clients from her area had not been institutionalized was because she could not get them into institutional settings.

Hon. Mr. Drea: Where might that be?

Mr. McClellan: I am just reading from the document.

Hon. Mr. Drea: That is beyond credibility. Even you raised your eyebrows at that one.

Mr. McClellan: No, I did not. Let me continue to read from the document.

This one question illustrates in no uncertain terms the seriousness of the situation adults with mental retardation face as they are confronted with a lack of resources in the community to meet their needs. The result for them, as reported by the front-line workers, is placement in the following settings: hospitals; institutions for the mentally retarded, including Edgar, Prince Edward Heights, Rideau Regional Centre, Huronia, Northwestern and the unit at the Whitby Psychiatric Hospital; psychiatric hospitals, nursing homes, homes for special care and inappropriate boarding homes.

The APSWs indicate in this survey they are placing people who have never faced institutionalization in their lives because of the scarcity of resources for them.

They also point out it appears resources are being committed to the deinstitutionalization of those in institutions, at the same time as their clients are being placed in institutions.

So you are developing, in their words, a revolving-door process in a number of communi-

ties across the province and they give a number of itemized case examples and make the final summary conclusion:

"Based on the very disturbing evidence presented in the survey sheets and the obvious and extreme frustration faced by APSWs working on behalf of their clients in the field, I believe the association must take immediate action to present its concerns to cabinet. We are aware that funding has not been forthcoming to the Ministry of Community and Social Services because of the fiscal restraint policies of the provincial government."

Hon. Mr. Drea: That is a lie; that last statement is a deliberate falsehood. You could look at my estimates in the book and see that is a deliberate falsehood.

Mr. McClellan: You can engage in whatever kinds of personal attacks you want.

Hon. Mr. Drea: I am not making a personal attack, but you have read that money has been withheld by cabinet from this ministry. You can look at the yellow book; you can look at this book. There is more money this year than ever before. We have gone from \$10 million to \$180 million and, as a matter of fact, just in the past few months, after the budget was—

Mr. McClellan: I was simply—

Hon. Mr. Drea: Just let me correct that one point. The Treasurer even provided an extra \$1 million in Metropolitan Toronto for 50 new spaces.

Mr. McClellan: I am not going to get into some kind of a vituperation contest with the minister. I listened very patiently and quietly while he made his leadoff statement. I am reading the results of a survey that was done in November of this year with 16 adult protective services workers in 16 regions across this province and that is the kind of information that came back in the survey.

People are not manufacturing this information; they are not making it up. It is being presented to you and, quite frankly, that is the long and short of it.

There is other information as well which, due to the shortness of time, I will copy and make available to you. It indicates the most critical problems on a region-by-region basis according to the results of this survey from the APSWs. It is simply based on the kind of experience the front-line staff have. They are out there trying to solve the problems of mentally retarded people as they attempt to find programs, residential services and other kinds of supports.

Rather than trying to shoot the messenger—and I am not referring to myself; I can take any potshots you want to fire at me—I think it would be much more helpful if you and your senior staff sit down and study this material and start to come up with programs to fill some of the gaps that have been identified.

I feel as though I am being trampled by senior staff.

Mr. Stokes: You have them exercised.

Hon. Mr. Drea: It must be a tremendously important document if the survey was taken in November and we still have not received it in the ministry or in the cabinet.

Mr. McClellan: The ministry does have results of a community needs survey that was done in March 1984, also by the Ontario Association for the Mentally Retarded. I assume you have this document.

Mr. Stokes: He just said he had it.

Mr. McClellan: It indicates many similar kinds of problems. It is a survey of 46 local OAMR branches across the province.

Twenty-nine areas reported children with severe handicaps are being served by local school boards. Seventeen areas reported severely handicapped children are not being served by local school boards.

9 p.m.

Ten areas reported children of school age are not being served by local school boards. Nine associations reported approximately 100 children in their areas are not being served at all. Twenty-seven local associations in Ontario still do not have any residential programs for children.

I do not want to take a long time reading research documents into the record of these estimates, but there are many gaps, fully 10 years after the green paper was adopted as government policy, after what appeared to be a major commitment to expand community-based services in order to permit normal community living for the mentally retarded.

Ten years later we are discovering that what is starting to happen is a kind of revolving-door process in which people are coming out of institutions on the one hand and being readmitted on the other because of the lack of an adequate network of community-based support services.

We had a long discussion during Bill 77 about the problem of institutionalizing mentally retarded children in homes for special care and nursing homes. I argued as strenuously as I could with the minister to include such facilities under

Bill 77 so that admission placement review committees would have the opportunity to review any proposed placement of a child in order to canvass the whole range of alternatives; sit down with the service provider and parents and medical doctor and provide the best available information to make sure no child was placed in an institution when there were more appropriate placements available, and I hoped they would even develop those if they did not exist, but I was unsuccessful in that.

I simply want to review with the minister the results of some research I have been able to do on a very unscientific basis since we had those discussions in the committee on Bill 77. I happen to regard it as an outrage that in 1984, 10 years after the adoption of the green paper, children are still being admitted to homes for special care and nursing homes; I find it outrageous.

I asked the officials of the Ministry of Health what their policies were with respect to the admission of mentally retarded children to homes for special care and nursing homes, and I am still waiting for a report in writing. I have some notes from a telephone conversation which I understand will be the content of the memorandum that is sent.

I am always suspicious of the opportunity for error when I am trying to make notes. I stand to be corrected and, as I say, I am waiting for the written document. However, their understanding, as indicated in my notes from the telephone conversation, is that only seven mentally retarded children under 18 have been admitted to homes for special care since 1980 and the establishment of the triministry project: four in Whitby, two in Penetanguishene and one in Kingston.

It was their impression this was done only on an exceptional basis with the express permission of the Ministry of Community and Social Services. So we have a figure of seven since—

Hon. Mr. Drea: Did the man tell you that?

Mr. McClellan: The woman told me that.

Hon. Mr. Drea: The woman told you we gave permission?

Mr. McClellan: Yes; that is what I was told.

Hon. Mr. Drea: Okay.

Mr. McClellan: There had been seven since 1980 on an exceptional basis, in each instance with the express permission of the Ministry of Community and Social Services. As I say, I still do not have the memo and it is entirely possible I made an error in understanding or in transcribing so I do not want to identify the employee. I am

still waiting for an official statement from the Ministry of Health on this matter. I am very patient and I will continue to pursue it with them.

I have obtained a copy of the report of the extended care admissions co-ordinator for the year 1983-84; that is, the admissions screening and review process, central region, which is a summary of referrals for extended care admissions for nursing home placement.

The document starts out in the general overview section, "Over the past fiscal year"—that is 1983-84—"36 referrals have been made through the extended care admissions co-ordinator for consideration for nursing home placement." It says, "The decline in the number of referrals is attributable to the position being vacant for a period of two months." Obviously, the figures are down in 1983-84 from what they were in previous years. I do not have the documents for previous years and I cannot even guess what they were, but for 1983-84 there were 36 referrals.

In the breakdown according to age there was one admission between the ages of one and four, and five admissions between the ages of 4 and 17. That appears to be six admissions of children under the age of 18 to homes for special care and nursing homes in 1983-84 alone. I find it passing strange that the Ministry of Health told me there had been a total of seven since 1980 when the document I have from the extended care admissions co-ordinator's office indicates there were six in 1983-84 alone.

I would like some information from the ministry about this. I understand that five of the children who were admitted in 1984—and they may actually have been admitted in the fiscal year 1984-85, I am not sure—were admitted in April 1984 to the Jann-Lynn Nursing Home. I do not know if they were the five children talked about in this document, but if I am correct that five children were admitted to the Jann-Lynn Nursing Home, one of whom I believe was five years old, I would like to have some understanding of why and when they were admitted to the Jann-Lynn Nursing Home.

I would also like to know if it is correct to say that in order to accommodate the five children at the Jann-Lynn Nursing Home, five young adults were moved out of the nursing home to group home facilities in the Sutton area and that the reason that five children were admitted to the Jann-Lynn Nursing Home was to attract board of education dollars to replace triministry dollars.

I would like to know why on earth—

Hon. Mr. Drea: Who said that? The Ministry of Health?

Mr. McClellan: No.

Hon. Mr. Drea: You are not reading from the Ministry of Health document?

9:10 p.m.

Mr. McClellan: No, I have stopped reading from that. I have got to the section on Jann-Lynn and I am relaying information that was relayed to me verbally. I really want to know whether this information is correct.

I also understand there was an admission to Sunnydale, and that was some time in the spring of 1984 as well.

If we get nothing else out of this set of estimates, from my perspective I would like to have an understanding of this ministry's policy with respect to the admission of children to homes for special care and nursing homes; and I would like to know how many children have been admitted to homes for special care and nursing homes, that is to say children under the age of 18, for each of the years since the triministry project was established in 1980.

It is, quite frankly, appalling that children are being institutionalized, and not even in the back wards of the system. They are not even in the system when they are admitted to a home for special care or a nursing home. They are outside the system of programs and services that have been developed since 1974 by the Ministry of Community and Social Services. They receive add-on services from the triministry project, but this is no substitute for the kinds of community-based residential and support services that were talked about in the green paper. I understood that the triministry project was supposed to be about rescuing the approximately 400 children and 2,800 adults who were in homes for special care and nursing homes.

It would be a complete perversion of the triministry project if its existence was being used as an excuse to institutionalize retarded children in homes for special care and nursing homes rather than to provide them with the full range of programs and services that are available under the auspices of Community and Social Services facilities.

I would like to have some understanding of where that is, and I would like, as I have indicated in questions on the Orders and Notices, to have a breakdown with as much detail as possible of the activity of the triministry project since it was established. I would like to have a breakdown with as much detail as possible of the \$27 million or \$28 million that was committed to

the triministry program when it was announced. I would like to come away from these estimates with an understanding of how that money has been spent over the course of the last four years.

Finally, I would like to have an understanding of what the future will hold for what is left of the triministry project, whether this ministry is going to get serious about the basic issue, which is to rescue people who were abandoned and left behind under the jurisdiction of the Ministry of Health when everybody else was brought under the roof of the Ministry of Community and Social Services.

That is the first of the concerns I wanted to address and to pursue as we get to the appropriate point to discuss. I hope when the ministry makes its presentation it will do so with some of these concerns in mind.

The second—

Hon. Mr. Drea: Do you want a reply to that?

Mr. McClellan: Why do I not go—

Hon. Mr. Drea: Fine.

Mr. Chairman: I think you can continue on and finish your presentation.

Mr. McClellan: I will go through the rest of my remarks, which will not take too long and then we will have lots of time to deal with those concerns.

The other point I wanted to deal with was the section the minister opened with, social assistance. I agreed with Elie Martel when he said, "You run the welfare office like a pay wicket." Instead of operating social assistance programs—

Hon. Mr. Drea: He never—

Mr. McClellan: You can go back and read Elie's speeches. That is what he used to say year after year, "You run it like a pay wicket."

Hon. Mr. Drea: He has never said that to me.

Mr. McClellan: He has not been critic while you have been in office, but if you invited him to come in here he would say exactly the same thing. He was talking about the need to run your welfare programs within the context of economic policy and manpower programs.

A lot of rhetoric has crept into ministerial leadoff statements during the last two or three years, but the reality is we still do not operate our income maintenance programs within any kind of overall economic strategy in the context of provincial manpower programs. We simply do not do it.

We have gone through the worst economic earthquake since the 1930s. I want to review briefly some of the reasons the welfare budget has gone so sky high in the course of the last two

or three years. In 1981, 147,000 men and women in this province lost their jobs; they were laid off. In 1982, 286,000 men and women lost their jobs. In 1983, 313,000 men and women lost their jobs as a result of the current depression. In the first eight months of 1984, from January until August of this year, the year of the recovery if you listen to the Treasurer (Mr. Grossman), or the year of the sputtering recovery, if you listen to the Minister of Labour (Mr. Ramsay), 270,000 men and women have lost their jobs.

Somewhat less than one per cent of all those people who were laid off as a result of the recession got any kind of severance pay from their employers. The majority of the older workers who were laid off during this depression lost their pension credits. So much for occupational benefits in this province. We do not have decent severance pay; we do not have decent pension legislation.

Of all the people who are unemployed—and the current figure is 380,000—52 per cent lost their jobs as a result of the depression. Our unemployment insurance program has basically buckled under the strain. We have 15,000 unemployment insurance exhaustees coming off unemployment insurance every month because their benefits have expired. In the next six months 92,000 workers will have exhausted their unemployment insurance benefits.

I do not need to belabour the point, but there is one other piece of the stew that has to be mentioned, and that is the disappearance of full-time jobs. In net terms, 68,000 new jobs were created in this province between September 1981 and September 1984. Four out of five of these, 54,000 out of the 68,000, are part-time jobs.

When you look at what has happened to the general welfare assistance case load it has to be within that context of mass unemployment; affecting, most tragically, older workers who are being thrown onto the scrap heap after a lifetime of steady attachment to the labour force, and young workers who are literally frozen out.

9:20 p.m.

When I look at the general welfare assistance case load figures, the last year I was critic, in 1980-81, there were 32,482 employables on general welfare assistance, and employables represented 42 per cent of the general welfare assistance case load. Last year there were 70,426 employables, the so-called unemployed employables, and the ratio of employables to unemployables had almost completely reversed. The employables are now 62.6 per cent of the

general welfare assistance case load. From being the minority group they have become the majority group and, of course, the dramatic changes started in the first year of the recession, in 1981.

Hon. Mr. Drea: I do not want to interrupt your train of thought, but I think you have to take into account that we have taken virtually all marginal people off general welfare assistance and put them on family benefits allowance, as a means of assisting the municipalities. I do not think those figures are as indicative as a first glance might make them.

Mr. McClellan: That is a valid observation, when you look at the ratio between employables and unemployables. Still, the fact is—

Hon. Mr. Drea: I am not discounting the seriousness.

Mr. McClellan: The general welfare assistance case load has doubled in the last four years and the kind of people who are now on it are people who until 1981, and I am sure the ministry will agree, would never have dreamed they would find themselves being laid off, after a lifetime of steady and reliable work, with no severance pay, virtually no pension benefits, no real opportunities for employment, exhausting their unemployment insurance benefits at the rate of 15,000 people a month and landing on general welfare assistance.

I think these kinds of figures indicate such a fundamental weakness in the social insurance side of our income maintenance system that it should be a matter of the highest priority for this government to be urging the other provinces and the federal government to reconvene, at last, some kind of national review of income maintenance in this country.

We still have a social insurance system that has been created, really, in the last 30 years. Unemployment insurance was not modernized until 1971. We did not have a contributory pension plan until the middle 1960s. We did not even have old age pensions until 1950. We are 60 or 70 years behind most of the western industrial democracies in the development of a modern social insurance system.

We have something like 83 separate income maintenance programs across this province, each with its own set of bureaucracies, criteria and program philosophy. When the crunch comes and people start falling through all the different pieces of this so-called safety net, they end up, 70,000 strong, on general welfare assistance rolls, where they are literally down and out and there is very little in the way of rational

manpower programs to help them get back to work.

The minister talks about a plethora of programs and initiatives, helping 800 people here, 7,000 there. I do not scoff at these, but it is a drop in the bucket when you have half a million people unemployed in this province and 70,000 people on general welfare assistance.

It is a national and provincial tragedy of enormous proportions. It cannot be dealt with by these ad hoc and relatively small experimental programs, run in this and that municipality, without any kind of coherence or co-ordination. I have made the case until I was blue in the face, and I do not expect to persuade this ministry, but I think you have made a fundamental mistake in devolving income maintenance administration to the municipal level.

Every time I have had an opportunity to do estimates, I have said I thought the proper way to rationalize income maintenance in this province was to do it at the provincial, not the municipal level; so it would be possible to integrate income maintenance with a meaningful provincial manpower program that was designed to focus on the problems of specially disadvantaged constituencies and to work closely with Canada Manpower to develop a specialized provincial manpower service that focused on the special needs of long-term social assistance recipients but was also able to operate within the context of a provincial manpower and job creation program.

I do not think the municipalities are ever going to develop the capacity to run manpower programs. Nothing I have seen has changed my mind about that; I just do not think they ever will.

You are probably so heavily locked into multimillion-dollar computer hardware at this point that it would be very hard to reverse the policy. However, I am absolutely convinced you have taken exactly the wrong course of action. You should have centralized income maintenance at the provincial level and permitted the municipalities their proper role in the delivery of personal and community-based social services.

There should have been a separation of social services from income maintenance in this province. The proper items to decentralize to the municipal level remain personal support services, community-based services and some kinds of residential services.

The only reason municipalities have any role in administering income maintenance is the legacy of the Elizabethan poor laws which were

transported to our society. This remains one of the few jurisdictions in the country which continues to have what is basically a poor law theoretical framework around the administration of income maintenance.

It is not a municipal function. This is a modern industrial society, and it is absolutely ludicrous to talk about increasing the income maintenance responsibilities of municipalities in a period of major economic dislocation and transformation, mass unemployment, mass youth unemployment and terrific problems facing laid-off older workers.

It is ridiculous to place the burden of confronting these kinds of problems on to the municipal government. It is absolutely absurd. As I say, I have given up any hope of influencing the course of events, but I will be Jeremiah-like in saying yet again that I think this was a tremendous mistake.

I have one final point to make. I always go through the estimates books, and I suppose my minimum expectation, when I do that, is that the ministry will have spent all the money this committee allocates to it. Yet when I go through the book, I find a couple of items for which the ministry has failed to spend the moneys voted to it by the assembly.

It is amazing, and hard to believe, that one of them is day care. How on earth did it happen that the ministry ended the past fiscal year with an unexpended amount of \$3.4 million in day care funds? The breakdown, from page 79 of the briefing book, is as follows: there was an estimate of \$71.5 million for regular day care, and an expenditure of \$68.5 million, for a—what do you want to call it?—a surplus of \$2.98 million. In mental retardation day care, also from page 79 of the book, there was a surplus of some \$418,000.

There is a second area—services to the developmentally handicapped; residential services and programs for the mentally retarded—where there was an unexpended amount of \$3.134 million. Again, the mind boggles at that kind of thing.

9:30 p.m.

Finally, if I am not mistaken, there are cutbacks in this year's estimates, if you can believe it, after all the wonderful rhetoric from the minister about commitment to economic rehabilitation.

On page 60 of the briefing book, dealing with adults' and children's services, workshops, training expenses and rehabilitation services for the disabled, there are cutbacks in the order of 5.6 per cent, if I am not mistaken, in the money

allocated for sheltered workshops and training experiences for the disabled.

I hope the minister can explain why on earth the allocation in that most important and essential set of services has been reduced. I hope he can also explain to us what is happening with the province's vocational rehabilitation services program. I understand there are unfilled vacancies in staff and long delays in obtaining service. Morale is about as bad as it could be. People have a sense that the province is somehow losing interest in what used to be an excellent vocational rehabilitation service.

Those are the three areas I wanted to cover in my leadoff. I want to get an understanding of what has happened in the triministry project, and what is happening as part of the implementation of the five-year plan to make sure that, in the minister's own words, which I think I remember correctly, "Nobody will be moved out of an institution until the proper community alternatives are in place for them."

I do not believe the ministry has done a good enough job in setting up community alternatives. People are starting to report a revolving-door process. There is only one way to respond to that, and it is not by calling people liars or getting mad and calling people names.

Hon. Mr. Drea: I am not mad.

Mr. McClellan: All right.

Hon. Mr. Drea: But do not lead off by saying we withdrew money. I suggest you knew what you were doing when you read that. You said it was a summary by them.

Mr. McClellan: I was just reading verbatim.

Hon. Mr. Drea: Yes; read it.

Mr. McClellan: If you want it again, I will reread it.

Hon. Mr. Drea: Page 2.

Mr. McClellan: "We are aware that funding has not been forthcoming to the Ministry of Community and Social Services because of the fiscal restraint policies of the provincial government."

You can call it whatever you want.

Hon. Mr. Drea: Mr. McClellan, that is not correct. The member for St. Andrew-St. Patrick (Mr. Grossman), as Treasurer, and before him, the member for Muskoka (Mr. F. S. Miller), when he was Treasurer, notwithstanding all the economic pressures upon them, were more than generous to this ministry, particularly to the developmentally handicapped.

I am going to say it again. Even after his budget was in, the Treasurer allocated another

amount of in excess of \$1 million cash, up front, to put 50 new community spaces in place in Metropolitan Toronto through the Metropolitan Toronto Association for the Mentally Retarded.

Mr. Chairman: Can I have the committee's attention, please? Mr. McClellan, do you have some further points you would like to present here, or would you like a reply from the ministry?

Mr. McClellan: I see the peanut gallery has dropped in from the Legislature. I do not have anything further.

Interjections.

Mr. Chairman: Order.

Mr. Piché: On a point of order, Mr. Chairman: What do you mean by that? You are the most ignorant man we have in the Legislature. Who are you talking about?

Mr. Chairman: Order.

Mr. Piché: I just came in from the north. Because of the weather I could not come in before and you make a comment like that? You are the most arrogant SOB here.

Mr. Chairman: Order.

Mr. Piché: How can you come in and make a statement like that, for crying out loud?

Mr. Chairman: Mr. Piché, you are out of order.

Mr. Piché: No, I am not. He is out of order. You should have picked him up before.

Mr. Chairman: You are strictly out of order.

Mr. Piché: Not only does he make himself a disaster in the Legislature, but he is also trying to do it here in committee. I take exception to comments like that.

I am sure that when he made that comment he was looking at me. That is not fair or proper. As a member of the Legislature, he should not have come out and made a statement like that. I do not do it to him and he should not do it to me.

I am sure that is what he did, obviously because I was late in coming in, which was no fault of mine. I am from the north and the first flight that came in today was right now.

Mr. Chairman: Okay. Mr. McClellan, do you have further comments that you would like to make?

Mr. Piché: He should apologize, if he is a man.

Mr. McClellan: I do not have anything to apologize for to this member, who is a continuing source of barracking and noise. It becomes very difficult to try to talk over it.

Mr. Piché: I just came in. How could I do it?

Mr. McClellan: Your presence was obvious. You came in like a herd of elephants.

At any rate, I have made the points I wanted to make, and I look forward to the minister's reply. We can continue to discuss these and other points of major disagreement.

Mr. Chairman: Thank you very much, Mr. McClellan. Did you want to reply, Mr. McDonald?

Mr. McDonald: Yes, Mr. Chairman—

Mr. Stokes: Mr. Chairman, on a point of information: What is SOB? What does that mean in your terminology?

Mr. Piché: It is not what you think. It is "short on" something, but I will not say it.

Mr. Hennessy: Short on brains.

Mr. Piché: I did not say that.

Mr. Chairman: Mr. McDonald.

Mr. McDonald: Mr. Chairman, with respect to the information that Mr. McClellan was seeking from Health, we will have to—

Interjection.

Mr. Piché: Say that again. I cannot believe what you just said.

Mr. Chairman: Mr. Piché, you will have to understand that we are in committee and we do like to have a little decorum. Perhaps you would just control yourself.

Hon. Mr. Drea: Mr. Chairman, these are my estimates. I would appreciate it if we would get on with them.

Mr. Chairman: That is right.

Mr. McDonald: With respect to the information that is forthcoming from Health for Mr. McClellan and all those facts, we will also inquire with respect to those numbers so there can be a cohesive reply with respect to children in institutions and that whole milieu. To do otherwise tonight would just waste the time of the committee.

However, my minister has asked me to make some comments with respect to Mr. McClellan's comments on the Williston report and the revolving-door syndrome and some comments about the adult protection workers with respect to the ad hoc, unscientific survey which was done by a group of people—either 16 or 18 workers—in specific areas.

I would like to share with the committee some factual information with respect to the suggestion that this ministry has done very little since 1974 with respect to mentally retarded people in the

community and in institutions. The proposition was made that we are far behind, that we are not doing sufficient to assist persons in the community and that, since the Williston report, almost nothing has happened. That is the impression that has been left with the committee. So as not to—

Mr. McClellan: If I may, I did not want to leave that impression. Just so you understand where my concern lies, I have been very fulsome in my praise of the government for the way it implemented the green paper in the 1970s. If you go back to the record, you will find that statement year after year in the estimates.

What I am saying is that you have not kept pace. As you have accelerated the deinstitutionalization under the five-year plan, you have not made the necessary increases in support to community services. I am not making a blanket condemnation of a program which I have acknowledged has made tremendous contributions in many respects. I am saying I would like to see the kind of progress that we made in the 1970s continue into the 1980s.

9:40 p.m.

Mr. McDonald: I apologize if I cast any aspersions upon the member. As a deputy minister and civil servant, I am only going to give unpolitical, succinct facts with respect to the progress from 1974 to 1984 in the area of mental retardation in the community as it relates to those in institutions.

In the present estimates, the institutional budget is \$198 million. The amount for services for retarded persons, including the benefits they will get under the guaranteed annual income system for the disabled but excluding capital, is \$252.3 million. We have now far outreached what we do in institutions.

To make the point more graphic, in 1974, the amount that was spent for mental retardation in the community, exclusive of Gains-D benefits, was \$11.2 million; in the 1984 estimates, it is \$171.7 million. If you take into account the Gains-D benefits and the handicapped children's allowance, the comparison between 1974 and 1984 is \$38.2 million and \$252.3 million.

The point being made is that from 1974 to 1984, accommodation for community placement has increased from \$5.2 million to \$67.7 million. The workshops have gone from \$3.4 million to \$27.8 million. The life skills programs have gone from zero to \$12.2 million. The community support programs have gone from \$800,000 to \$29.5 million. The protective services have gone from \$100,000 to \$5.1 million. The day

nurseries for the developmentally handicapped have gone from \$1.7 million to \$13.8 million.

In the other areas, triministry special needs have gone from zero to almost \$17 million and, as I indicated before, Gains-D has gone \$27 million to \$79 million plus \$1.6 million in handicapped children's benefits.

We instituted the community program in lieu of institution-based care in 1982, when we forecast the closing of six institutions. As a result of the closing of Brockville and Bluewater, and the other two currently being closed, Aurora and St. Thomas, we believe a total of \$23 million in 1982 dollars will be injected into the community, plus the \$11 million allocated to those coming out of institutions, plus community-based services.

The further item that one finds troubling is that the 16 or 18 adult protection workers surveyed by the association—we do not have a copy of the survey—represent 12.5 per cent of the 140 adult protection workers who look after 7,700 clients. These clients have a very broad range of mental retardation and physical disabilities, and it would be difficult but not impossible for someone to look after a case load of 60 or 70, depending upon the level of retardation. Some have to look after only 20 to 22.

We also have 123 nonprofit associations for the mentally retarded across the province which are working with the developmentally handicapped, supporting the adult protection workers by community volunteer resources. There are 1,500 to 1,600 board members and associated volunteer workers who are looking after these people in the community.

Looking at the Williston report from a staff perspective, there has been a giant leap in services to the retarded from 1974 to 1984, so that the \$250 million being spent today on community services—the comparative notes in 1974 were \$38 million—is something of which we need not be ashamed.

The phrase "revolving door" has been used consistently. Our evidence is that the higher percentage does not go back into institutions; that a small number of people enter institutions rather regularly because they have great difficulty coping even in their own homes, group homes or outside placements. Our impressions now from our institutional staff, who are monitoring the situation even in respect of those institutions that have closed, are that the revolving door syndrome does not exist to a great extent.

The other problem referred to was the groups of services now in the community and the

movement of people out of institutions or other settings into a different type of community setting. Although I do not wish to comment on the children's services until I have the documentation, it is the policy of the ministry, the associations for the mentally retarded and all those involved with the problems of institutional living, that those who might be able to live in the community should proceed out into it.

Most of the young adults who reach 18 or 20 and who can live in the community really want to do so. It is a policy that is being fostered by the ministry. We try to look at all the reports we get, as the member suggests, to ensure their validity and make sure we know what people are saying.

One of the problems we have to consider is that some associations—and I am not attributing this to the comments of the one that were read—advocate that everybody can live in the community irrespective of the severity of mental retardation or disablement. We would have to find out, on a scientific basis, the basis for their point of view and whether any of them would believe, as a fundamental principle, that every retarded person should have the absolute capability of living in the community.

With respect to the Health documentation on children entering institutions and those going out, we will endeavour before Wednesday to see whether we can garner the figures the honourable member has quoted versus our figures, make comments about Jann-Lynn Nursing Home and others in the total population we have.

We would like also to comment on the numbers referred to by the member with respect to the 27,000 beds the Ministry of Health has in the nursing home system, and to what locations some of these people may have gone because of their parents' or doctor's wishes they go there. I hope we can get that information by Wednesday morning so we can give a clear kind of statement to the honourable members. Thank you, Mr. Chairman.

Mr. Chairman: Do you have any questions?

Mr. McClellan: No. I think it would be wise to look at the ministry's presentation at this point.

Hon. Mr. Drea: I just want to say one thing about integration. If it is so bad, why does the union involved support it? Why do the municipalities want it? I think those are questions that have to be answered. Indeed, the one place where your philosophy has been carried out is the province of British Columbia, where it is totally centralized. There is not one soul in British Columbia who would trade it for the system we have here—not a municipality, not an anything.

Mr. McClellan: However, that is after how many years of a Social Credit majority?

Hon. Mr. Drea: It was so even during the heyday of a fellow who is not there any more.

Mr. McClellan: Income maintenance was centralized in British Columbia by the liberal labour government.

Hon. Mr. Drea: It was done by Mr. Barrett.

Mr. McClellan: No, it was not.

Hon. Mr. Drea: With all due respect—

9:50 p.m.

Mr. Chairman: Okay. I would just like to follow up on one of Mr. McClellan's points. As chairman, I would like a clarification from Mr. McDonald on whether the beds that were involved were geriatric, then went into the Ministry of Community and Social Services and are now transferred to the Ministry of Health. What number of beds has changed in that area?

Hon. Mr. Drea: What is the change in the composition of the homes for special care?

Mr. McDonald: The HSCs in the Ministry of Health have approximately 6,700 beds. Mental retardation has about 2,500. The remaining 4,200 are for other than mentally retarded persons. I do not have the breakdown of the 4,200, but they are mental patients and so on.

The age breakdown with respect to those people in our system, the MR system, is that approximately 1,200—I am rounding the figures—are over 55 and the remaining 1,350 are under 55. I do not have the figures with respect to the Ministry of Health's 4,200, but we could ascertain the breakdown if you want it.

Mr. McClellan: I would be interested in having a breakdown between adults and children so we could do some comparisons with the figures at the time the triministry project was announced. I assume it is probably part of the presentation, but if it is not, I would—

Mr. McDonald: I think the presentation will give some clues to this subject. However, by Wednesday we could probably get the really detailed figures with respect to kids now in homes for special care versus past years.

Mr. Chairman: Thank you very much. We will have the presentation now.

The committee viewed an audio-visual presentation at 9:52 p.m.

10:09 p.m.

Mr. Piché: The word "client" came up. Why do you say "client"? There might be a good

reason, and I am just asking. Instead of "patient" or "participant," why do you say "client"?

Hon. Mr. Drea: I think it is a traditional word. Many of the developmentally handicapped are not in the category of "patient." They are fully ambulatory. They are users of services. I think if you want to get into semantics—

Mr. Piché: No, I am just wondering because "client" does not seem to fit into this good program we just saw. I was just wondering and surprised at the word "client" instead of "participant" or "patient."

Hon. Mr. Drea: I think one of the reasons they have used "client" over the years was to confer dignity upon the individual. Some years ago it was almost considered a charitable thing. The person was a receiver; the person was getting something; the person was being provided for.

The connotation of "client" is that the person has his own dignity and is an equal participant in the program. On a personal basis, I find "client" a bit cold-blooded and impersonal, but I do not know of a better word.

Mr. Piché: What about "participant"?

Hon. Mr. Drea: It is a little difficult—

Mr. Piché: It looked a little cold to me and that is why I was—

Hon. Mr. Drea: It is a little difficult to say a two-year-old is a participant; it is a little different when it is a teenager.

Mr. Piché: He is certainly not a client at two years old.

Mr. Chairman: Okay, that is a very good idea.

Hon. Mr. Drea: "User," I think, is the word.

Mr. Chairman: Mr. McClellan, I presume you are finished with your presentation?

Mr. McClellan: Yes.

Hon. Mr. Drea: If I may say just one thing—

Mr. McClellan: Wait for the information you will be provided with—

Hon. Mr. Drea: Yes, I would like to find it out from the Ministry of Health myself.

I may say the government of Japan, as late as November, dispatched a large group from the municipality of Metropolitan Tokyo. They were to come and see what they thought was the type of program for the developmentally handicapped they wanted to copy in Japan. The only place they came to in Canada was Metropolitan Toronto.

A very large delegation from Japan spent two and a half days going through everything. They

saw all kinds of people, from direct service providers to doctors, psychologists, psychiatrists, etc. The decision they made was based on extensive study.

Mr. Stokes: I would just like to make one brief observation. It is nice to have a minister who can read, and to know, when you listen to him read, that he knows what he is reading.

However, I would like to make one comment and that is that there are 12 employees of the ministry in this room tonight, including the minister; six are women and six are men. How refreshing that is. Presumably they are not secretaries and they have a very important function to play in the ministry.

Hon. Mr. Drea: I could introduce them, just to put it on the record.

Mr. Stokes: It is refreshing there is one ministry in this government that—

Hon. Mr. Drea: Michele Noble is our executive director of finance, or our chief financial person. Margaret Rodrigues is our

director of financial planning and corporate analysis. Nora Quigley is our assistant director of communications and the person responsible for the development of the type of presentation you have seen, as well as others.

Nancy Saunders is our director of program information. Ms. Faye More is the executive director of Mr. Daniels's department. Mrs. Carolyn Neill is the administrative assistant to the deputy minister.

Mr. McDonald: Carolyn Neill is my executive assistant.

Mr. Piché: Was that natural or was that intentional?

Hon. Mr. Drea: This ministry was the first in the Dominion of Canada to have a female deputy minister.

Mr. Chairman: I think it is time we went upstairs and we will be here at 10 o'clock on Wednesday morning.

The committee adjourned at 10:15 p.m.

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From the Ministry of Community and Social Services:

McDonald, R., Deputy Minister



No. G-17

Hansard

Official Report of Debates

Legislative Assembly of Ontario

Standing Committee on General Government
Estimates, Ministry of Community and Social Services



Fourth Session, 32nd Parliament
Wednesday, December 12, 1984
Morning Sitting

Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, December 12, 1984

The committee met at 10:06 a.m. in committee room 1.

ESTIMATES, MINISTRY OF COMMUNITY AND SOCIAL SERVICES (continued)

Mr. Chairman: I understand the critic for the Liberal Party is going to be a little late, but I also understand the minister has a small statement he would like to make. Perhaps he could proceed with that now.

Hon. Mr. Drea: Mr. Chairman, this flows out of some matters we were discussing the other night.

There are few goals of greater importance to me and my ministry than the reintegration into the community of developmentally handicapped people. In recent years my ministry has vigorously developed community alternatives to institutionalized care. This was a course of action that has since been proved correct, notwithstanding the initial criticisms.

Handicapped adults and children whose abilities have enabled them to learn basic living and vocational skills have blossomed in the community. Their parents, initially doubtful, now overwhelmingly endorse the move. Meanwhile, our five-year plan to develop spaces and opportunities in the community is well on schedule.

To date we have moved 487 former residents into the community. The Pine Ridge, Bluewater and St. Lawrence regional centres are all closed and will soon be joined by the St. Thomas Adult Rehabilitation and Training Centre. By the end of this fiscal year, 88 residents of the Oxford Regional Centre in Woodstock will have moved on as well to community placements.

The residents we have moved from institutions back to the community have all adjusted well. This is a credit to the alternative residential and workshop services we have provided. It is also due to the fact that all residents were carefully screened to ensure they were capable and ready to live on their own. In many cases, behavioural problems, serious medical disorders and multiple handicaps suffered by individuals require a high degree of specialized attention that can only be provided adequately in an institutionalized setting.

In order to provide such highly specialized services, D'Arcy Place in Cobourg will remain open. The facility, which now has 150 beds, will be reduced to meet the needs of 75 individuals, some of whom are now at the facility. The others will be relocated from Durham Regional Centre in Whitby, which is scheduled for closure in 1986-87.

In keeping with my ministry's commitment to provide the highest possible level of care to developmentally handicapped people, we will undertake \$350,000 in capital renovations and construction on the present D'Arcy Place site. The annual budget of this facility in 1985 dollars will be \$3.8 million, while approximately 135 staff will be retained to provide care and support for the residents at the main site complex and in community locations in Cobourg and Whitby.

This change in our original intention to close D'Arcy Place does not alter the total number of residents from facilities scheduled to move to the community. Instead, we will relocate into the community those residents from the remaining facility system who are ready and capable of adapting to the transition. Our commitment to place 989 residents of institutions into the community during the five years of the plan remains firm.

I am more than proud of the accomplishments of my ministry in carrying out the plan. The continuing efforts of the ministry staff and the members of the local community service associations and agencies have made it an overwhelming success.

10:10 a.m.

The preservation of an upgraded D'Arcy Place is a necessary amendment that will make it possible for us to maintain a spectrum of quality services for developmentally handicapped people across the province. By this, I mean a range of facility and community services.

At present we have the following facilities in the southwest: Southwestern Regional Centre in Blenheim, Oxford Regional Centre in Woodstock, CPRI in London and Midwestern Regional Centre in Palmerston. In northern Ontario we have Northwestern Regional Centre in Thunder Bay and Muskoka Centre in Gravenhurst. In central Ontario we have the Adult Occupational

Centre at Edgar, Huronia Regional Centre in Orillia and Surrey Place Centre in Toronto.

Similarly, in the southeast, in addition to D'Arcy Place in Cobourg, we now have the following facilities: Rideau Regional Centre in Smiths Falls and Prince Edward Heights in Picton. In addition to that, there are a number of schedule 2 facilities across the province which are run by local boards. They provide substantially the same service.

All this is a very clear indication of my ministry's commitment to province-wide access to all services for developmentally handicapped people.

Mr. McClellan: I have a couple of questions for clarification with respect to the minister's statement. Did I understand you to say D'Arcy Place will remain open but will be reduced from 150 to 75 beds?

Hon. Mr. Drea: Yes.

Mr. McClellan: How many people will be moving from Whitby Durham Regional Centre to D'Arcy Place?

Mr. McDonald: Mr. Chairman, we can get you the information shortly. Dr. Baker is here.

Mr. Chairman: You can have a seat at the front and give us your name.

Dr. Baker: There will be approximately 30 people moving from the Durham centre to D'Arcy Place when the Durham centre closes.

Mr. McClellan: Will the remainder of the 75 be from D'Arcy Place or will they be moving from other centres?

Dr. Baker: No, they will be from D'Arcy Place.

Mr. McClellan: As part of the five-year plan to move 989 residents into the community, how many will leave institutions during the coming estimate year? Do you know that?

Hon. Mr. Drea: During which estimate year?

Mr. McClellan: 1984-85.

Hon. Mr. Drea: You mean this year.

Mr. McClellan: Yes.

Dr. Baker: If we go strictly by the schedule as laid out in the plan, it will be a number of people equivalent to the number of beds we close, which would be 150 plus 35 from Oxford Regional Centre. Therefore, it would be approximately 185.

Mr. McClellan: How many were moved out of institutions into the community in 1983-84?

Dr. Baker: The total to date from the beginning of the plan is 487.

Mr. McClellan: When did the plan start?

Dr. Baker: If we go from the announcement date, it was October 28, 1982.

Mr. McClellan: Can you get me the figure for the last—you may not have it with you—

Hon. Mr. Drea: What is it you want? We will get it for you.

Mr. McClellan: I want the figure for the number of people who were moved out of institutions into the community on a year-by-year basis from October 1982.

Dr. Baker: I can get that for you.

Mr. McDonald: We can do that, Mr. Chairman. On page 36 of the minister's speech, he talked about the 487 former residents who would go into the community by a certain date. We will break it down according to each year.

Mr. McClellan: At the appropriate time we can have more discussion. In my leadoff, I raised a concern with respect to the adult protective service workers survey which identified the need to develop more community residential space as the priority issue. On page 98 of the estimates book, I see a falling-off in the number of new residential community accommodation beds being built.

Let us start at 1981-82.

Hon. Mr. Drea: That is not a complete picture. Would you like us to get you one?

Mr. McClellan: Yes. I would like that very much.

Hon. Mr. Drea: We will get that data for you too. That does not include family homes and some others.

Mr. McClellan: On the face of it, there appears to be a falling-off shown on page 98.

Hon. Mr. Drea: There is not.

Mr. McClellan: If I could have that information, then I could see the whole picture.

Hon. Mr. Drea: Yes, you can have it.

Mr. McClellan: Thank you, Mr. Chairman.

Mr. Chairman: Do you have anything further at this time?

Mr. McClellan: No, not on the minister's statement. I do not know what we are doing. I guess we are waiting—

Mr. Chairman: We have some slides the staff would like to show.

Hon. Mr. Drea: Your colleague last year and Mr. Wrye both asked for a detailed explanation of the growth in case load of general welfare assistance and family benefits allowance. We

said the other night we would have it here and it is here.

Mr. Chairman: Good. Would you like to do that now?

Hon. Mr. Drea: I certainly would.

Mr. McDonald: I would like to introduce Mr. Mark Woollard, who is one of our policy people at the ministry.

Mr. McClellan: Could I just ask, before we start, if it would be possible, whenever it is convenient, to obtain a kit of the material being used in the presentation?

Mr. Sweeney: What is the present status of FBA to GWA? Where is that at right now? Is that in operation?

Hon. Mr. Drea: Yes, just about—January 1.

Mr. Woollard: The purpose of the report to the committee today is to present an analysis of the changes over a 15-year period in family benefits and general welfare assistance case loads. We would like to talk generally about the changes in the numbers in the total case load, shifts in case load components within each of those case loads, and then describe some of the factors which have contributed to those changes over the 15-year period.

These include population growth, unemployment, increase in the number of sole-support mothers in the population, changes in other government programs and, finally, provincial initiatives.

By way of background for a moment, the two social assistance programs in Ontario—GWA and FBA—are composed of a number of broad case categories. First of all, there is general welfare assistance, which is designed to provide short-term assistance for the unemployed, those with ill health—temporary ill health primarily—single mothers, the aged and others.

Those categories are broken down in the percentages you see over on the right. These percentages represent the per cent of the total social assistance case loads, both FBA and GWA combined. For example, on our total program, 21 per cent are unemployed individuals on general welfare assistance and so on.

Our total general welfare assistance case load now makes up 42.5 per cent of the total case loads in Ontario. Family benefits makes up 57.4 per cent. As you can see, the family benefits case load is designed for long-term assistance recipients—disabled, single mothers, aged, foster and handicapped children, vocational rehabilitation maintenance allowances, and then a small group of other cases.

They are broken down primarily among disabled and mothers. They form well over half the social assistance case loads in Ontario, followed by a small percentage of aged, foster and handicapped children and so on.

Mr. McClellan: What year is this?

Mr. Woollard: This is current data. The family benefits figures are as of November. I believe the general welfare figures are as of August, the most recent month for which we have this kind of breakdown available from the municipalities.

Mr. Sweeney: Are the single mothers on the first one considered to be in transition?

Mr. Woollard: Yes. They are on short-term emergency assistance, right after marital breakdown, right after having lost a job, and they are waiting transition or transfer to the family benefits case load.

8:20 p.m.

Mr. Wrye: Is that a normal month's statistic, with reference to the question my colleague just asked? I am a little surprised that the number is as high as it is.

Mr. Woollard: The number of single mothers?

Mr. Wrye: Those who are on the short term.

Mr. Woollard: That is the lowest figure we have been at since September 1979. Later in the presentation I will get into what has been happening to the short-term mothers' case load on general welfare assistance. It is a good question.

Mr. Wrye: That is through the integration thing?

Mr. Woollard: Yes.

Mr. Sweeney: Is the same true of age?

Mr. Woollard: Is which the same?

Mr. Sweeney: That is the transition stage there?

Mr. Woollard: Yes, for some of those cases but not necessarily for all of them. Some of them could be temporarily ill, but there are also elderly people needing short-term, emergency type of assistance—one month here, one month there. A number of those will also transfer to the family benefits case load.

Mr. Wrye: Do you have any breakdown on the average amount of time single mothers are on short-term assistance. Have you ever taken a one-month snapshot and given us a—

Hon. Mr. Drea: Yes, we talked about it the other night. Integration has really chopped it down.

Mr. Woollard: We are looking now at the processing time from general welfare assistance to family benefits allowance—four to six weeks basically—as a result of two initiatives. Again, I will mention those.

Mr. McDonald: It was 17 weeks before.

Mr. Woollard: Yes.

Mr. McClellan: The figures on page 43 of the briefing book indicate the monthly average of employable GWA cases was 70,000.

Mr. Woollard: All right. Included with employable is this unemployed category. Also included are the majority of single mothers and some other categories. If someone has a sore ankle and maybe some other problems, but they are on for maybe a short term, on a temporary ill health basis, they could still be classified as employable.

This unemployed figure, plus a good percentage of the single mothers and some of the temporary ill health cases would be added to the total employable case load, which would bring it up close to that 70,000.

Getting to the factors affecting the two case loads over the 15 years, I want to deal first with population growth. If we held all other factors constant, which of course we cannot do but in this analysis we are going to, population growth would account for a quarter of the growth in total social assistance case loads. You can see the family benefits case load over the 15-year period has risen by 135 per cent, the GWA case load by 174 per cent and the adult population figure by 36.8 per cent.

On a yearly average percentage increase, we get 2.5 per cent annual growth in adult population—these figures are millions by the way—and we get a 10.1 per cent increase per year in our social assistance case loads. Roughly a quarter of the growth is accounted for by growth in the adult population.

Mr. Sweeney: Excuse me. You are referring to the time period related there because we are not having that kind of population growth at present.

Mr. Woollard: No. This is an average figure over the whole 15-year period.

Mr. Chairman: Committee members, as we go through the presentation, if you have any questions, would you hold them? I do not care how you want to do it, but I think we are going to get into a snag here if people keep asking questions now.

Mr. McClellan: I agree with you.

Mr. Woollard: I hope to answer most of your questions anyway through the presentation. I hope you can all see both of these slides. Unfortunately, the room is not set up well enough to be able to see it as high up as I would like.

Dealing now with the factor of unemployment, the actual number unemployed, which is the green line on this top slide on your right, is a very seasonal kind of case load. You will notice the case load tends to peak in the winter months and troughs, or hits its low point, during the late summer and early fall. It makes sense. There are a lot of seasonal jobs in Ontario which provide employment in the summer and disappear in the winter.

Since the general welfare assistance case load provides assistance to short-term unemployed employables, GWA shows the same kind of seasonal pattern. Before I show you the GWA case load, let me point out, while I have this slide on the screen, that there have been three major shifts in unemployment over the last 15 years, as I am sure members are all aware.

We had a recession in 1971, and the actual number of unemployed rose from a level below 100,000 in the years preceding to a level of around 175,000 during this period here. In 1975 we had another recession, and again the actual number of unemployed rose and hit a new kind of plateau, which gradually increased during the period from that time. You can see that the trend line is there. Last, in 1981-82 we had the worst of the three recessions; its effects are still being felt, and unemployment has hit a new level. An average trend line might put it there.

We have had three major shifts in unemployment. You can see that the seasonally adjusted rate after each recession has never fallen back to pre-recession levels. We are still higher at this point than we were before the 1971 recession. Again, we did not fall to pre-recession levels after 1975, and it remains to be seen where unemployment goes from this point on, although a lot of forecasters have been proffering their projections.

Looking at how the social assistance case loads have behaved during that period, what I have done is to superimpose the actual number of unemployed with the FBA and GWA case loads. The black line is the FBA case load total, the blue line is the general welfare case load and the green line is the actual number of unemployed but divided by four. That is, to get it on the same scale so you can see the relative changes in these case loads, this figure has been divided by four.

You can see, as I was pointing out in the text, that GWA shows the same kind of seasonal pattern. In fact, for a period during the mid to late 1970s the pattern almost identically followed the actual number of unemployed. Again this makes sense because of the large role that general welfare assistance plays in helping the temporarily unemployed.

What is the reason that shifts in the general welfare case load occurred simultaneously with the rise in unemployment? For example, in the 1971 recession, where unemployment in this area is rising dramatically, the general welfare case load is rising dramatically; in early 1975, when unemployment rose dramatically, general welfare also rose at the same time; and in this most recent recession you again see almost a simultaneous rise in the two case loads. Why?

One would think at first that people might go from work to unemployment insurance, be assisted by that program for possibly a year and then might fall on to general welfare assistance, but that is not true for case loads. As soon as you get a rise in unemployment, there is a downward displacement in the labour market in which those unemployed individuals on unemployment insurance push out other individuals who are marginally employed, who then do not have immediate unemployment insurance eligibility, and they are immediately forced on to general welfare assistance. So there is an immediate effect of unemployment on GWA.

In FBA there is also an effect from unemployment, but it occurs on a delayed basis. In 1971 the recession produced an increase, and I have sort of obliterated it here with that blue mark. If you look very closely you will see that three months after this rise in the GWA case load, the case load in FBA starts to rise and continues rising at a higher rate than it had previously. In 1975, a few months after the rise in general welfare, FBA again starts to show a rise on a delayed basis. Then in the most recent recession, after the other case loads—general welfare and unemployment—started to rise at this point, the family benefits case load started to rise a few months later and is continuing to rise at the present time, although it is showing some signs of slowing down.

In fact, in family benefits the 9.3 per cent annual growth rate we experienced in July 1984 is not that unusual when you look back historically. In 1971 we hit a peak annual growth rate of 16 per cent in family benefits, and in 1975 we hit a peak annual growth rate of 12 per cent; so nine

per cent with this longer and deeper recession is not that unusual.

10:30 a.m.

Further, the recession-related FBA and GWA growth that we are seeing is not unusual compared to that of other provinces. If you look at this table now, on two measures Ontario has weathered the recession reasonably well. First, on a growth measure we looked at the pre-recession case loads in all provinces—that is, their average case load during 1981—compared it to a post-recession point, August 1983, and looked at the percentage increase in case loads in each province. Ontario had an increase of 25 per cent, and we ranked fifth among the 10 provinces.

However, as regards the percentage of the total population on social assistance—this includes men, women and children; we are comparing it to the total population of men, women and children in each province—Ontario ranks second only to Manitoba with 5.1 per cent in receipt of assistance. Manitoba, at 4.8 per cent, is just slightly ahead. As you can see, it is particularly the Atlantic provinces and Quebec which are experiencing the most difficulty in terms of their assistance case loads.

Continuing to discuss these unemployment phenomena, the proportion of total unemployed on general welfare assistance in 1984 is about the same as it was in 1969. In 1969, we had more than 13,000 employable general welfare cases—and this is just looking at employables, exclusive of single mothers, who move on to family benefits—at which time we had 99,000 unemployed individuals in the labour force; so we had 13.3 per cent of the unemployed on general welfare assistance. In 1984, that figure has risen slightly to 14.3 per cent.

Assuming that other factors were again held constant, growth in unemployment could account for 92.7 per cent of the growth in employables on general welfare assistance. However, I want to point out that the situation has not been a straight-line trend from 1969 to 1984.

If you look at this 1969-84 period, you will see that in 1971 we hit a point where almost 22 per cent of the unemployed in Ontario were represented as employables on the general welfare case load. Following 1971, there is a tremendous decline in that proportion. Since 1977, there has been a gradual return to the 1969 point. Where we were at 13 per cent here, we are now at more than 14 per cent.

What has caused that kind of shift in the relationship? I will get into describing the factor

that has most influenced that. It comes from the federal government's unemployment insurance program. I will explain why that kind of phenomenon has occurred in about five minutes.

I want to deal next with one of the other major factors affecting the growth in case loads: the higher incidence of sole-support mothers in the population.

Contrary to public perception, the proportion of the province's sole-support mothers who are on family benefits and general welfare assistance has remained basically unchanged over this 15-year period.

If you look back at 1971, one third of all single mothers in Ontario were in receipt of family benefits and general welfare assistance. In 1984, that figure is the same. During two time periods in between, 1976 and 1981, we again have roughly a third of single mothers on assistance. The proportion of single mothers requiring social assistance has not been growing.

As well, single mothers make up 30.6 per cent of the total FBA/GWA case loads today. Back in 1969, they made up 31 per cent of the total case loads. The situation, in terms of assistance case loads, is relatively unchanged compared to the total population. Of course, as we all know, the number of single parents in the population has been growing rapidly.

Factors contributing to that higher incidence of sole-support mothers include increased marital breakdown resulting from greater social acceptance of this, as evidenced by changes in the Divorce Act in 1967 and the Family Law Reform Act in 1978.

There are increased financial pressures on the family as a result of inflation and unemployment. As well, unwed mothers are keeping their babies more often today. Back in 1969, about 30 per cent were keeping their babies; in 1980, a study found that this figure had risen to 89 per cent, a dramatic increase in the proportion.

We can see those effects in terms of the composition of the case load of family benefits mothers over time. Back in 1969, widows, combined with a small group of others, made up the largest component of family benefits; almost 40 per cent of family benefits mothers were widows. Because of the maturation of Canada pension plan and employer pensions, when spouses die, they are more likely in more recent times to have other pensions to take care of their financial needs. Widows now make up 6.7 per cent of the mothers case load.

The relaxed federal divorce laws of 1967 had a delayed impact. We see that the divorced in 1969

made up less than five per cent of the mothers case load. We are now up to almost 17 per cent.

Then again, unwed mothers keeping their babies at about three times the rate they did so in 1969 has meant that the unwed mothers case load has gone from 22.7 per cent up to 37.1 per cent. Let me make one point about this statistic. The definition in family benefits of an unwed mother includes a mother who has lived with a man for 10, 15 or 20 years but never married him. She had a number of children by her common law spouse and then they split. If she comes to family benefits, our act defines that person as an unwed mother. I do not want you to get the impression that these are all unwed teenagers running around with babies. They are only a part of that number.

I want to focus now on changes in other programs and how they have impacted on our case loads. This brings us back to our phenomenon with the unemployed on general welfare as a result of changes in the Unemployment Insurance Act. In 1971, the unemployment insurance rules were relaxed considerably. For example, the number of weeks required to get assistance was reduced from 30 weeks of employment out of the previous 104 down to eight out of the previous 52. This is a tremendous reduction in the eligibility criterion.

Fewer reasons for disqualification were introduced, and the federal government introduced sickness and maternity benefits at that time. Together, that meant about an extra 440,000 Ontario residents were covered by unemployment insurance, or 96 per cent of the labour force, as compared to the period prior to these changes.

That is why we saw in that slide we looked at a moment ago that the proportion of the unemployed on general assistance fell so dramatically from 1971. It was effectively the result of the federal government recognizing its role in providing assistance to the unemployed and its mandate to do that and relaxing the unemployment insurance rules. We had that percentage decline dramatically over the next few years until we hit a low point in 1977 of around eight per cent.

The gradual tightening of the eligibility rules from 1975 through to 1980, however, began to cause an increase again through this time period in the proportion of those who were unemployed and fell to social assistance. The recently announced proposed further tightening of the rules may have some impact down the road, but the exact details of those tightened rules remain

to be seen as does the extent to which they will impact on general welfare.

Turning now to the Canada pension plan, since 1975 the program has been maturing and has been progressively reducing family benefits expenditures to the point now where we are saving \$46 million on an annual basis from CPP payments to family benefits recipients. The maturation of CPP also has been reducing the case load. I already mentioned that CPP maturation has impacted on widows in the province by providing them with another source of income, which has reduced their need for social assistance.

There is definitely a potential for further case load reduction as a result of CPP changes. I want to give you an example of probably the most important one. In January 1985 we estimate—the figures have not been released yet—that CPP disability allowance will hit \$389 per month. There will be a certain proportion of the disabled on family benefits who will be getting an allowance that ranges anywhere from \$382 per month up to \$519 per month depending on shelter costs and other factors. So some cases will be fully covered by the CPP payment and, therefore, will no longer be in need of social assistance under family benefits. The number in that range of \$7 is quite small, however.

10:40 a.m.

For a widow with three children, you can see that she would be eligible for between \$724 and \$859 per month on family benefits. Her entitlement under the Canada pension plan would be \$499. So there is still a considerable difference between what Canada pension pays and what she would be eligible for as a single mother on family benefits. Other private pensions, however, are beginning to kick in and provide additional funds which are reducing the incidence of widows on the family benefits case load.

I want to turn now to spouses' allowance, the federal program that was introduced in October 1975. This had a significant impact on family benefits by reducing the number of wives of recipients of old age security who had been on FBA up until that point.

If we look at another chart, you can see what has happened to the family benefits case load in terms of the aged component. Here on this top graph, we have the FBA case load over 15 years broken out into its four broad case categories.

The top red line is the disabled; orange line, the single mothers; the blue line, the aged; the green line, the balance of the case load. You can see that the aged started to decline dramatically in

1975, primarily as a result of this federal initiative in introducing spouses' allowance. It continued to decline through to 1979. Since 1980 the effect has certainly been realized from that federal-program introduction and we now see a gradual growth in the aged case load.

In terms of the components of the case load shown as a stacked bar chart, it is the same data shown on an annual basis. Again, you can see pretty graphically the shrinking of the blue component of the FBA case load as a result of the introduction of spouses' allowance.

Mr. Wrye: You do not have a number there. What is the case load number? It was up earlier and I did not make a note of it.

Mr. Woollard: There are roughly 6,000 total aged on family benefits.

Mr. Wrye: So you are anticipating that number could be reduced by 1,000 to 2,000.

Mr. Woollard: That is right. It depends on the exact nature of the rules that the federal government sets up in terms of who qualifies under this recently announced federal initiative to expand to 60- to 64-year-old widows. We estimate that between 1,000 and 2,000 will be transferred to the federal government as a result of that initiative.

Let me turn for a moment to provincial initiatives that have affected both the size and composition of family benefits and general welfare assistance. First, I want to talk about initiatives that reduced the general welfare assistance case load.

In April 1972, the province introduced extended care, which assisted the elderly with nursing home costs. Roughly 9,000 cases of general welfare assistance were rapidly taken off the case load because they no longer required the assistance.

This provincial initiative took place in 1972. This decline that we see right there in the general welfare case load was what was caused primarily by the introduction of extended care. In May 1973, the province added the permanently unemployable category to family benefits; this moved about 13,500 from GWA to FBA from then to the present day. These case load figures represent in that case how many we have moved as of today.

In the first 16 months, we moved 8,000 from general welfare assistance to family benefits. That occurred in May 1973. This decline in general welfare was primarily the result of that initiative.

On the family benefits side, although it is hard to see with the scale of this graph, the increase

that we see right there on family benefits is primarily the result of that initiative.

In June 1979, the province added separated mothers to family benefits to recognize the change brought about by the Family Law Reform Act in 1978. Up until then, separated mothers, a small portion of the total mothers in the population, were assisted by general welfare assistance. Previously, most of those cases did get on to family benefits as so-called deserted mothers. We expanded that in recognition of the Family Law Reform Act changes in 1979. To date, we estimate we have moved about 450 cases from general welfare assistance to the family benefits program.

Disabled wives—that is, a disabled wife of a healthy man—was added as a category to FBA in April 1982. We estimate we have transferred roughly 400 cases from GWA to FBA.

Sole-support fathers were added to FBA in July 1982. Previously those cases were getting on to FBA by orders in council when they were particularly needy cases. We expanded it to a regular case category in July 1982 and we estimate we have taken on roughly 900 cases, almost 800 of them from general welfare assistance.

More recently, the ministry has embarked on decentralization and has now completed decentralization of the FBA decision-making process. It accelerated the processing of GWA cases who were waiting for family benefits. For example, in the two previous recessions, the GWA mothers case load rose significantly, but then fell again as FBA processing of those cases caught up. I have a slide that graphically illustrates that phenomenon. This slide shows sole-support mothers on family benefits and general welfare assistance over the 15-year time period we are talking about.

You can clearly see the mothers case load rose dramatically in the 1971 recession. It rose roughly 5,100 cases or almost 50 per cent over the pre-recession case load figure. In the 1974-75 recession, the number of cases rose 5,800 or almost 40 per cent. You can see the rise in 1975 right here. Each time there was a bump in the GWA mothers case load, shortly thereafter there was a bump in the family benefits mothers case load as the processing sped up to try to catch up with the influx of new cases. In 1975-76 you can see the large increase in family benefits mothers.

Interestingly, in the most recent recession, the deepest and longest, the GWA mothers have shown little increase. Pre-recession to post-recession shows an increase of about 1,500

cases, or less than 10 per cent in terms of a rise. What has been happening is the family benefits case load has increased more rapidly in response to the recession because the decentralized decision-making the ministry has now implemented has processed those cases much faster.

Another initiative is the functional integration of administration of single parents, which began spring 1983 in terms of really getting going. That initiative has reduced duplication and further sped up processing from GWA to FBA. For example, since March 1983 the GWA mothers case load has actually declined almost 2,400 cases or 12 per cent to the lowest level it has been since 1979. September 1979 would appear at roughly this point here. We are back to that point today, despite the continuing effects of the recession.

One interesting point to note in this orange curve, the family benefits mothers curve, is that since July 1984 the family benefits mothers case load component has flat-lined. It is not showing an increase. I will be talking about the reasons for that in a moment.

I want to talk for a moment about three provincial initiatives that added to the FBA case load, but did not subtract from the GWA case load. In April 1979 the creation of the handicapped children's benefit added about 1,141 cases to the FBA case load and to date we have added 2,940 cases. At the same time, the vocational rehabilitation services maintenance allowances began to be paid under family benefits, adding at that time almost 1,300 cases. To date we have added almost 2,600.

The developmentally handicapped moving into the community over the 10-year period 1974 to 1984 has meant that roughly 4,300 or 4,400 cases moved out of institutions who would have had their needs taken account of in the budgets of those institutions. They are now receiving individualized FBA cheques and have added to the FBA case load by that amount. Those three initiatives added to FBA have meant about 10,000 new cases on the program today as a result.

10:50 a.m.

I would like to talk about the initiatives the province has taken to reduce the FBA case load. In September 1978 the province introduced the eligibility review and sole-support mothers projects that helped achieve the no-growth period we experienced from 1978 to about 1982. This period here, in terms of the mothers case load, is a period of no growth. It is a period of some decline until near the end.

Those two programs were largely responsible for that phenomenon, combined with the fact that the effects of the 1975 recession by that time had petered out; that is, recession-related increase in marital breakdown and recession-related layoffs of sole-support parents from jobs.

Next, the work incentive program, started in September 1979, has assisted to date more than 9,000 cases. Of the 3,300 single parents who entered Win prior to April 1982, 70 per cent are no longer on assistance at all, neither family benefits allowance nor Win.

The employment support initiative, which the minister mentioned in his opening remarks, has moved about 1,600 cases into full-time or part-time employment, and a further 3,000 into pre-employment education and training programs that will lead to further cases getting into work of either a full-time or a part-time nature.

The employment opportunities program, which was announced in the Treasurer's (Mr. Grossman) budget this year, is now being implemented, hence providing the ministry with \$120 million over three years. As the minister mentioned on Monday night, this will benefit youth, single parents and the disabled. Just by way of example, although the program is really just being implemented now, already 4,000—mostly general welfare assistance employables—have been placed in career access jobs, and 860 dependent children of family benefits recipients found summer jobs this past summer as a result of that initiative getting started.

To summarize briefly everything I have said thus far, we can look at the major factors impacting on social assistance case loads and attempt to identify the relative proportion effect they have contributed. If we look at the combined case load growth over the 15-year period, it is up 153,000. Holding other factors constant and identifying each factor in isolation for a moment, unemployment would account for about 30 per cent of the growth in the total case load. It has added roughly 45,000 employables to general welfare assistance over that time period.

The growth in adult population, apart from the single-parent growth, would account for 24 per cent of the growth or 37,000 cases. The increase in single mothers in the population accounts for about a fifth—20 per cent of the growth or 30,000 cases. Expanded eligibility, particularly within the family benefits program, has added roughly 7,000 cases or just under five per cent of the total growth. Last, movement into the community of our mentally retarded population has accounted

for just under three per cent of the growth during that period.

In total, we can account for about 80 per cent of the growth in the case loads distributed among these factors. Roughly 20 per cent remains unexplained; it could easily be distributed over these factors. It is impossible to ascertain or pinpoint exact numbers in each one of these factors. These give you some kind of feel for the relative impact of each one.

Mr. McDonald: Mr. Chairman, we are getting copies of the slides. They are here now, so we would like to distribute them to you. We do not have the colour slides in the pack, but we will get copies for you in a few days.

Mr. McClellan: Could I just ask whether the material I requested during my leadoff is available.

Mr. McDonald: The children's information will be available after lunch, because we are just shoring that up now. I will have answers with respect to your employment initiative questions, the workshop and training questions, and the questions about the residential services part. I will have some general information with respect to the federal government's Canada Employment and Immigration Commission and the items you talked about, labour-force decrease in the marketplace.

Mr. Wrye: At the outset, let me apologize to the committee for my unavoidable absence on Monday night. I had a long-standing commitment in my own community and it was just impossible to avoid being there. I apologize, and I appreciate that the minister and my counterpart in the New Democratic Party carried on with these estimates in my absence.

I also apologize for being a little late this morning. The National Action Committee on the Status of Women met with members of our caucus at about 9:20 a.m., and we ran a little beyond 10 o'clock; I did so inform you.

I am pleased to be able to participate, though, on behalf of my party, in the 1984 estimates of the Ministry of Community and Social Services. It has been a little over a year since I was selected to represent my party as critic for this ministry, and the past year has been very important and eventful. We have seen the implementation of the new Young Offenders Act, as well as the introduction—and, last night, the passage—of the Child and Family Services Act. I think we all agree that this is a major piece of legislation, and in many ways an outstanding one.

We have also seen issues such as services for battered women and child care rise to the

forefront of public discussion. Much has happened in the area of social services in Ontario, and the lives of many of our residents have been touched.

The Ministry of Community and Social Services, through the programs and services it supervises and funds, affects almost everyone in our province. It is one of the most contentious ministries, there is no doubt about that. We hear about its programs only, it seems, when something goes wrong.

This is not to undermine the good the ministry performs as well, from child care to elderly persons' centres, from services for the disabled to services for the developmentally handicapped, plus a wide range of income maintenance programs designed to better the lives of those Ontarians who are less fortunate.

The ministry provides a countless number of essential programs. Quite frankly, our province could not survive as a modern state without it, or the services that the ministry maintains. I think we had an example of that in the slide presentation which just concluded.

In the next few minutes, I want to review a number of areas and subject matters. In doing so, I will be, out of necessity, tripping into the areas of other ministries. However, I want to discuss some of these areas in a conceptual way.

As members of the committee know, the Ministry of Community and Social Services is only one of the ministries involved in many of these overall philosophical areas, but I wish to discuss the overall concepts.

I acknowledge at the outset that some of my comments will not exactly be aimed at this minister, but they will certainly be dealing with the social policy areas about which this minister—even if they are not within his ministry—obviously has something to say at some level of cabinet.

Having said that, let me start with the first one: services for the elderly, certainly not an area in which only one ministry is involved.

One issue that has been of great concern to the Liberal Party over the past period of time is services to the elderly. The elderly population of this province is dramatically increasing as years go by.

Our province is currently home to 900,000 elderly residents; by the year 2000, this segment of the population will grow to about 1.4 million people, and by the year 2031 to 2.3 million. Currently, there is one person over 65 for every nine below that age, and by the year 2031 this ratio will increase to one person over 65 for every 4.5 people under that age. As a society and as a

government, we must face a twofold question: Will a variety of options for living be available to older people as the population ages? How can we change the present system to ensure that the available options meet their needs?

In an attempt to answer this question, our party has put together a study on the provision of services to the elderly called Options for Living. One of the most fundamental conclusions arising from that study is the need for government to identify options for living for the growing number of Ontario's elderly, to ensure that they can live their senior years with dignity and the highest quality of care.

11 a.m.

Our study uncovered numerous regulatory and structural deficiencies in the current way the provincial government has planned and implemented the system of care for our senior citizens. Confused bureaucratic jurisdictions, misappropriation and misallocation of care beds, lack of the right mix of facilities and services, and often a basic insensitivity to the rights of the elderly and their families have all led to the deterioration both in the availability and quality of appropriate care.

The Ministry of Community and Social Services plays a vital role—not the only role but a vital role—in providing services to the elderly and will continue to play that vital role in the years to come. It is on that basis I would like to share with members of the committee and the minister some of the conclusions my colleagues and I came up with when we studied the problem of options for living for the elderly.

Many of our recommendations deal with the Ministry of Health and we get into a jurisdictional overlay, but a number are specific to this ministry.

Any examination of the options for elderly care must start with a recognition that the potential care system can be viewed as a continuum. Such a continuum would range from grandparents staying in the care of their extended family to single elderly living independently who are visited intermittently by social service agencies and on through light to heavily structured institutional care facilities.

The challenge for any elderly care system is to provide the type of care best suited to the individual's emotional and physical needs at the highest-quality level at the lowest possible cost.

As a general proposition, it is popularly accepted that institutionalized care would not be the primary option many elderly would choose, given a choice. The problem with Ontario's

current elderly care system is that all too often a choice is infrequently available.

Ontario has the third highest rate in Canada of institutionalizing its elderly. Approximately 60,000 seniors, 8.9 per cent of the over-65 population, are in institutions. That figure is much higher in percentage terms than in either the United States or Britain. Many elderly in our province face unnecessary institutionalization due to a lack of sufficient relief services, homemaker services and residential living settings with supports in their home communities.

There is much the Ministry of Community and Social Services can do to correct this problem as one of the lead ministries dealing with the elderly. To begin with, this ministry along with the Ministry of Health and the whole social policy area can take some action in regard to rest homes.

An artificial market is being created for rest homes because of the lack of extended and chronic care beds on the one hand, and the paucity of community options allowing the elderly to remain at home on the other. Since there is no overall legislative requirement stipulating minimum standards of care, the rest home environment is often deficient.

In certain instances, such as the regional municipality of Hamilton-Wentworth and my own community of Windsor, municipal councils have enacted bylaws that outline minimum standards of care. Some municipalities have refused to contract out to rest homes until such time as those municipal bylaws are in place.

What is needed now is the development of legislation and regulations regarding rest homes. The Ontario Long Term Residential Care Association, formerly the Rest Home Association of Ontario, itself has urged such legislation for rest homes that house the elderly, ex-psychiatric patients and the mentally retarded. The fact that many elderly who cannot find placement elsewhere in the system are left to seek refuge in loosely regulated rest homes does not seem to concern the provincial government. It certainly has not concerned it sufficiently.

The government has indicated—the Ministry of Health certainly indicated—that it has no intention of establishing any province-wide standards for rest homes. Lack of standards often means that the time is spent in an environment which offers little beyond food and lodging.

I will say that the Rest Home Association of Ontario itself has attempted to educate its members regarding what it calls an accepted standard of care to gain the confidence of

municipalities, the public and residents themselves. In the words of its past president, Suzanne Kirby, "Members have to understand that we will never be included in the continuum of care unless we, as members, accept some kind of regulatory method."

I believe the association should be congratulated for showing some understanding of the need for these kinds of acceptable standards.

Currently in the field of care for the elderly, both from an institutional and home care service point of view, programs are operated under the auspices of both the Ministry of Health and the Ministry of Community and Social Services.

Originally, this dual system arose as a result of the jurisdiction of the Ministry of Health for medical services and that of the Ministry of Community and Social Services for general support services, but as both systems have expanded there have developed overlaps and, more lamentably, gaps and artificial distinctions where responsibility for a particular service or jurisdiction for a specific client group was assumed by one ministry to fall under the aegis of the other. As we move toward a more comprehensive system for both the health and community services, particularly for the elderly, it makes sense to consolidate responsibility for this field under one ministry.

Since preventive health services become an important component of the care system for an elderly person, we believe the Ministry of Health would be the logical choice for assuming this jurisdiction. However, it must be stressed that by no means are we suggesting that a medical model be adopted for services to the elderly. There is no implication that the elderly be viewed as ill simply because they need community supports.

Under such a consolidation of jurisdictions, the Ministry of Health would be mandated to address the medical and social needs of the elderly in the community. None the less, there is still plenty of reform which can be done by the Ministry of Community and Social Services under the present jurisdiction. It would be a mistake to interpret the clamour for institutional beds as evidence of a desire by many elderly to live in an institutional setting.

About 30 per cent of the elderly over 85 will need institutional care. Improvements are needed to ensure that this care does not amount to long stretches of unfilled time within a custodial institution.

Of course, the young and middle-years elderly would choose community living every time if the necessary community supports were readily

available. Home care services such as Meals on Wheels and visiting homemaker services are vital components of the community support network which is essential to keep the elderly in their own homes.

Currently, an elderly person requiring homemaker services faces a myriad of programs and eligibility requirements. For example, people may be eligible under home care if they need time-limited medical services. The elderly person may be able to obtain homemaker support through the municipalities. However, this service is means-tested. He or she may be able to obtain homemaker services through an older adult centre that provides home support programs. Many elderly fall between the gaps and may be forced to look at long-term settings if they cannot receive homemaker services.

Attempts in 1980 to bring all home support services, which include homemaker services, under one piece of legislation failed. The result is 16 pieces of legislation continue to govern the home support programs. The Liberal Party strongly believes and strongly recommends that a home support services act be implemented to co-ordinate the current pieces of legislation governing home supports.

It can be argued that the homemaker services are the key element of nonmedical services for the elderly. It was proposed as long ago as 1979 that homemaker services for the frail elderly be implemented through the Ministry of Health, using the service delivery model of home care already in place.

In 1981 the then Minister of Health, Mr. Timbrell, announced steps to improve the delivery of homemaker services. This program was to have been targeted at the frail elderly and adult physically handicapped who required the service to be maintained in their own home regardless of whether they needed associated medical tests. The Minister of Community and Social Services may remember that he supported this proposal.

The program was to begin in the fiscal year 1982-83 in five or six targeted areas of the province. This has not come about. Its implementation date as of June 1984 was estimated to be the end of the decade.

The value of homemaker services for the frail elderly group, a group which will substantially increase by 1991, should not be underestimated. The absence of such a program makes it necessary for an elderly individual without family supports to consider more supportive living in a long-term care facility. Its introduc-

tion is long overdue and the program, in our view, should be implemented immediately.

Along with homemaker services, the Meals on Wheels program plays a vital role in keeping the elderly in their own homes. For many elderly persons, the alternatives to institutional living are not realistic unless they receive nutritional support. For these individuals, Meals on Wheels programs have a vital role to play within the wider spectrum of community-based services to seniors. This is not a fringe or a luxury service.

The importance of Meals on Wheels and other home-support programs was recognized by the government of Ontario in 1979 when it increased its cost sharing to 50 per cent for a limited number of approved programs. Woods Gordon prepared a study on the Meals on Wheels program in Ontario one year ago and found the program faces a number of critical operational problems which hamper its effectiveness.

11:10 a.m.

The first problem is an increased volume of referrals for service. The need for Meals on Wheels and related programs is climbing rapidly as the number of elderly persons increases across the province. The new emphasis on noninstitutional care has meant that seniors are choosing to utilize community-based services which allow them to retain their independence in their own homes.

Meals on Wheels programs are also faced with increasing difficulties in meeting rising costs. Although not all Ontario Meals on Wheels programs receive provincial funding, an increasing number of agency applications are being received by the ministry all across the province. This growing agency need for provincial financial assistance appears to be due to difficulties in meeting escalating food costs and rapidly increasing referrals for service.

The severity of these problems varies among Meals on Wheels programs operating across Ontario. The smaller communities probably have a somewhat more stable situation than the larger urban centres, but they too are facing problems in meeting needs and maintaining volunteer resources. The largest urban areas, such as Metropolitan Toronto, may have the greatest problems, given the size of their client population and the complexity of their service environments. It is our view that the solution to the problems besetting the Meals on Wheels programs is increased government responsibility in the provision of this essential service.

The funding for the programs varies from municipality to municipality and is not stable.

The Ministry of Community and Social Services should implement a more stable funding mechanism to ensure that Meals on Wheels services are available at the same level all across the province.

The elderly persons centres of Ontario provide invaluable service to more than 60,000 of our elderly. The Ministry of Community and Social Services views these centres as providing socio-recreational day programs for the elderly, but an assessment of the work of the centres reveals a myriad of services provided to the elderly in many communities, including my own. For example, the centres provide income tax advice, referral information to community services and assistance in finding affordable housing. The elderly pay a minimum user fee for activities such as crafts and card playing.

An elderly persons centre receives 50 per cent Community and Social Services funding up to a maximum of \$15,000. Under the Elderly Persons Centres Act, a municipality must provide 20 per cent of any deficit beyond \$15,000, but this figure becomes larger than the ministry contribution of \$15,000 for many urban areas. Municipalities are finding it increasingly difficult to keep up their share of funding for the centres. Unless the 20 per cent municipal share is assured, the Ministry of Community and Social Services abdicates its responsibility to provide the maximum operating grant of \$15,000.

Revenue from fund-raising and fee-for-services provisions is often not enough to cover these deficits. Of course, the private nonprofit centres must pick up their own deficits. Many will be unable to do so this year and beyond, according to the Older Adult Centres' Association of Ontario.

Twenty centres were placed on the waiting list for funding in 1983 and today only a handful have received that funding. That is because approval for funding does not necessarily mean it will be forthcoming. The association has tried unsuccessfully to negotiate with the ministry to raise the ceiling on operational grants. This ceiling of \$15,000 is the same today as it was in 1966 under the Elderly Persons Centres Act.

It is clear that unless changes occur in supported funding levels to elderly persons centres in Ontario, more and more seniors will require institutionalization. The social contact and supportive advice many receive from these centres are key elements in keeping seniors in the community in a very worthwhile way.

Home support programs are provided by centres that serve the less-independent elderly.

Supports include transportation, house-cleaning, snow-shovelling and the like. Unlike elderly persons centres, those centres providing home support programs receive 50 per cent of that approved budget from the ministry.

The Elderly in Ontario: An Agenda for the '80s, submitted to the Provincial Secretary for Social Development in December 1981 as a result of an interministerial task force on ageing, recommended an increase in funding support to all home support programs across the province. I would like to echo that recommendation and to add the recommendation that the number of elderly persons centres in Ontario be increased along with the ceiling for operating grants.

Now let me turn to the issue of child care, specifically, the Day Nurseries Act, which falls under the ministry. I will, as I did in the ministry estimates of the Deputy Premier (Mr. Welch), keep my comments fairly general. As you know, Mr. Chairman, and the minister knows, the standing committee on social development is currently considering a series of recommendations to be brought forward to the minister. I do not wish to anticipate those recommendations unfairly.

Hon. Mr. Drea: I read about it in the paper.

Mr. Wrye: I understand that Hansard was made available.

Hon. Mr. Drea: You guys do it; I do not. I read about it in the paper. I must say I am a little confused. You were in the paper.

Mr. Wrye: I know. I was asked for a comment. Apparently, a copy of Hansard was accidentally left with some member of the gallery and was not left by—

Hon. Mr. Drea: No. I understand it was mailed out to the world.

Mr. Wrye: It may well have been. You can check my mail costs. It certainly did not go out from me.

Hon. Mr. Drea: Your staff did it; no member did it.

Mr. Wrye: It certainly was not my staff.

Hon. Mr. Drea: No, the committee staff. You were mentioned in that. It was not for comment; you were in that.

Mr. Wrye: You are talking about Mr. Hoy's article, I gather.

Hon. Mr. Drea: Neither the minister nor his ministry was ever sent the Hansard by the committee staff person who mailed it out.

Mr. Wrye: All I can say is that we will try to make sure the minister is on the mailing list in the future.

Mr. Gillies: Just for information's sake.

Mr. Wrye: That is right.

We have not concluded our study yet; so I will not try to anticipate recommendations that are not final.

In 1983-84 the government of Ontario spent about \$2 billion on post-secondary education and somewhat more than \$3 billion on primary and secondary education. During the same year it contributed less than \$64 million for child care. The discrepancy is both startling and inexplicable.

Is there something unique that happens to children when they enter the school system at five that suddenly qualifies them for 50 times the societal support they previously received? Were they or their families simply unworthy of public assistance before then?

Given the mounting evidence of the fundamental importance of high-quality child care and early childhood education, the lack of public participation in this area can only be seen as our own long-term detriment. The studies to date would clearly indicate that the net return to society from increased child care funding would be substantial.

I had a chance to meet personally with the author of the Perry preschool study in Ypsilanti, Michigan. This study found that offering publicly funded preschool care and education to three- and four-year-olds from severely disadvantaged backgrounds would yield economic benefits during the lifetime of the participants worth approximately seven times the cost of the program at estimated present value. This does not include the additional contributions as a result of freeing the wife or single mother to work, return to school or better attend to other family responsibilities.

Unfortunately, these lessons have yet to be learned in this province. Despite statements by the Minister responsible for Women's Issues (Mr. Welch), the government continues to view child care as only a welfare service, and direct provincial funding is awarded only on a welfare basis. This policy is rooted in a nostalgic view of the family as a self-sufficient, cohesive unit with a working husband, a wife at home and adequate economic opportunity to maintain this lifestyle.

As a result of this governmental mindset, child care is readily available only to those rich enough to be able to afford its full cost or poor enough to qualify for care as a welfare service. For the vast bulk of Ontarians in between, finding child care is a frustrating attempt to trade off the expense of quality child care, the poor standards of lower-

cost programs and the outright lack of centres in many areas or at certain times of day.

At this point 80 per cent—four out of five—of Ontario's children who need child care are cared for in unregulated, unsupervised, informal situations. I might say as a result of our committee's travels that while much of the evidence was anecdotal in nature, we all came away quite convinced not only that it is unregulated and unsupervised but that it is also grossly inadequate and sometimes even dangerous.

Even with the \$2,000 per year allowable child care deduction, which obviously is of little use to families with cash flow problems or with no taxable income, the typical child care cost of \$4,000 or more per year for each child is an unbearable burden for many families. Yet not only is the province doing little to help families hard pressed to meet their children's needs, it is not even meeting its self-proclaimed goal of subsidized spaces on a welfare basis for the most needy.

As at March 31, 1984, the end of the last fiscal year, there were only 24,500 subsidized spaces in the province, and those on the waiting lists numbered in the thousands. The effect of the government's failure to provide adequate funding on even a welfare basis has been to place the costs squarely on the shoulders of those who can least afford to carry them.

As one expert in the field has stated, "Either the children subsidize the service by accepting low-quality care, or the parents subsidize the service by paying very high fees or the workers subsidize the service by accepting low salaries." Unfortunately, all three occur with great regularity in our province.

11:20 a.m.

The government's way would not be the Liberal way. My caucus and I are committed to a comprehensive program of day care reform which will address specific areas of the system with regard to three issues: quality, accessibility and affordability. Our approach builds from a fundamental recognition that child care is a necessity in contemporary Ontario life. In 1983, 53 per cent of women with children under three and 61 per cent, or three out of five women with children between three and five, were working. Some 176,000 women in the work force have children under the age of six.

This is not to say child care is exclusively a women's issue. For one thing, many working men are forced to work at extra jobs and deny themselves time with their families because their wives cannot work due to a lack of available

and/or affordable child care. Additionally, in 1983 there were some 2,400 single fathers with full-time employment, many requiring better access to child care, and a significant number of unemployed single fathers who could benefit from improved access.

The exact extent of need is not known. A few statistics can suggest the magnitude of the problems with which we must deal. As of March 1984, almost 90,000 licensed child care spaces were available in the province, while the Ontario Coalition for Better Day Care estimates over 210,000 preschoolers require care. In Metro alone, there were 4,638 children on waiting lists, including 1,296 already deemed eligible for subsidy if provincially funded spaces became available.

In the face of such a grave need, obviously no single solution can suffice. While the long-term goal must be universally accessible child care, in the interim we must act on a number of fronts to deal with the most pressing problems. Support for work place child care should be a major component of any such package of initiatives. We have proposed that the Ontario government, through this ministry, establish a \$10-million work place child care stimulation fund which would provide one-time grants for capital and startup costs for nonprofit work site centres.

Since many employers cite the cost of renovating facilities to adequate standards and initiating startup procedures as major deterrents to establishing in-house centres, this would help stimulate the creation of many new work place centres. With a maximum grant of \$5,000 per space, up to \$100,000 per centre, this fund could help create 2,000 new child care spaces in work places around the province.

As a second step, to show support for work place care, we believe a child care centre must be established on site at Queen's Park. The necessary room can and must be found. It is simply inexcusable that the provincial Legislature does not have a work place child care centre to serve the needs of the hundreds of workers in the complex and to set an example for other employers. This is said in full knowledge of what is currently taking place at Ontario Hydro. We will have to review that to see whether their initiative will fill the need for further work place day care.

It seems to me it is important we send out the appropriate messages. Where work place day care is an appropriate setting for expansion of the system, it should be considered. If we do not have it in our own backyard, many other

employers, public and private, will wonder why we have not proceeded to do it ourselves, if it is such a good idea.

Of course, work place care will always be a small and important factor, but only one component of the whole system. The child care crisis demands action on many other fronts. In addition to the work place child care stimulation fund, we propose to create up to 10,000 new subsidized child care spaces to overcome the current waiting list; provide capital and startup funding for new centres; ensure a sufficient range of special needs child care centres—for example, 18-hour and 24-hour day centres for shift workers where appropriate, and flexible systems to accommodate the needs of rural women; provide increased financial support for nonsubsidized parents to recognize the necessary societal contribution to child care; and, finally, renegotiate with the federal government the provisions of the Canada assistance plan to overcome the problems of both the welfare services and general assistance provisions.

I do not believe our proposals will solve all the problems, but they would deal with the most immediate concerns and point the direction for the future, towards a system where societal as well as familial responsibilities for child care would be recognized with more than rhetoric. Given the course of the current government, a new direction is badly needed.

Let me turn now to the current funding of children's aid societies, which play a vital role in the provision of social services in Ontario. The protection from abuse they provide to children and the counselling services they offer to families serve to ensure that our children will grow up in the best environment possible.

It is with concern then that I view the statistics which show that Ontario's children's aid societies appear to be underfunded and in danger of not being able to provide all of the necessary services in the future.

In October of this year, we surveyed 10 children's aid societies around the province. All but one society reported an increase in the number of cases handled and in the number of reported child abuse cases.

Six of the societies reported they are expecting deficits this year. The Children's Aid Society of Hastings County plans for a 1984 deficit of \$65,000.

The Children's Aid Society of Hamilton-Wentworth expected a deficit this year of roughly \$160,000, its first since 1980.

The Children's Aid Society of the Districts of Sudbury and Manitoulin had a deficit of \$140,000 as of September 30, and the Family and Children's Services for the District of Nipissing was expecting a 1984 deficit, despite provincial funding in 1983 to cover the deficit of that year. I know my friend the member for Nipissing (Mr. Harris) is well aware of that problem.

A number of the societies reported they had to make cutbacks in the services they provide.

The problem of funding to Ontario's children's aid societies is perhaps best exemplified right here in Metro. Because of budget cuts from the ministry, the Children's Aid Society of Metropolitan Toronto has had to reduce its services and staff over the last two years. There have been 68 positions eliminated since 1982 and another 35 positions are to disappear in 1985.

During the time of staff cuts, the number of children serviced by the society has actually increased. As of December 1982, 1,674 children were in the society's care, and the figure for October 1984 is up to 1,698. It is a small increase but an increase none the less.

Hon. Mr. Drea: How many was it two years before?

Mr. Wrye: It was 1,674 in December 1982. That is two years before.

Hon. Mr. Drea: No. Two years before that.

Mr. Wrye: I have the figure for December 1982, I do not have another figure.

The number of families being served has risen from 3,258 to 3,428 in the same time period. As a result of further ministry-ordered budget cuts, the society has stated that it may have to cut its programs designed to prevent the removal of children from their families, the alternative care program.

Hon. Mr. Drea: Mr. Wrye, I do not mean to interrupt you, but they had to abandon that with the departure of someone. It is no longer in the cards.

Mr. Wrye: I thank the minister. The minister has publicly stated that he will now allow these program cuts to be made. You may recall that he told reporters, "If the services are cut, my ministry will fund directly those alternative care programs and I will remove the money from the CAS budget."

Hon. Mr. Drea: It was not proved necessary. They have taken a sober second look.

Mr. Wrye: Mr. Chairman, let me briefly touch on the Child and Family Services Act. Last

night the act passed third reading and it will become law on July 1, 1985.

I want to repeat a couple of the comments very briefly that I made in the House last night. Overall, I am pleased with the progress that was made with regard to this act and I see its introduction as a sign of progress towards the provision of services to children in Ontario.

I want to repeat that I am disappointed, and many people to whom I have spoken are disillusioned that the amendments regarding the disclosure of information to adopted children were not incorporated into the act and that it may be illegal to provide any information whatever about birth parents to adopted children other than on the strict and very narrow medical basis.

This turn of events worries me. I have talked with a number of individuals and a large number of adult adoptees, and many of them are distressed to know that while we have, in their view, taken a step forward from the Ferguson decision, we have taken a step back from what we thought we were doing in 1978.

11:30 a.m.

I can only say I hope, as the months proceed, we will begin to realize and recognize we must come to grips with the issue. The only heartening aspect of this was the minister's statement that some kind of committee was going to be struck to begin to look at the issue. I think it is a matter for the standing committee on social development. In the weeks and months ahead I will be urging that committee to take a long hard look at that whole very complex issue outside of any other provision of children's services.

I want to talk very briefly about a number of other matters. First, I will talk about the Ontario Centre for the Prevention of Child Abuse. I have already stated that the children's aid societies which we surveyed have reported an increase in the number of child abuse cases they are handling. Because of this alarming fact, the Ontario Centre for the Prevention of Child Abuse is even more vital today than when it was created a year ago. The centre is a training and resource centre which provides multidisciplinary training courses to professionals from across the province who are working with abused children and their families and to supervise research into the prevention of child abuse.

On the whole, the centre is a necessary endeavour whose time has come. However, I am worried by one flaw in the structure. Although the government provides funding for the training of child abuse workers, it does not provide funds at the local levels to allow local authorities to set

up child abuse programs. If there are no funds to set up the programs for these workers, I wonder if perhaps it is wasted motion to train them. It is vitally necessary for the ministry to provide such funds to local authorities so they can use their trained workers to the full potential through the establishment of prevention programs and aid programs.

I will be interested when we get into questions, but I want to turn now to the issue of integration and employment support initiatives.

We are all aware of life situations which are occurring daily in Ontario which none of us will probably ever experience. It is the all-too-common life situation of a sole-support mother with a grade 10 education. We all know the stories and many of us know real people in our communities who live those stories. The stories are of constant scrimping to make ends meet, the edible meals relished at the beginning of the month and necessarily dwindling to subsistence-level meals by the end. In some cases, people literally use hostels by the end of the month, which shocked me quite badly from reports in my own press, simply because the money is gone. There is the constant need to offer excuses to their pleading children who ask: "Why can't I join the hockey team? Why can't we go to a movie? Linda has a new coat. Her mother just bought her a new coat. Why can't I have one?" It is a picture of many hopeless days which appear to stretch unending into the future.

In June 1981 this minister announced that he intended to provide some hope that welfare should not be and will no longer be accepted as a way of life in Ontario. On that day he announced the initiation of integration and the employment initiatives program. Nine pilot projects were begun, and the minister has reviewed the locations of those programs in his opening statement, and other programs are coming on stream.

The goal of the program was a simple and magnanimous one, to provide an opportunity for sole-support women on long-term assistance to achieve independence, an opportunity to end the vicious circle of poverty. Between October 1982 and March 1983, a total of 6,600 family benefits allowance cases were transferred to municipalities, in keeping with their new employable status. That represented 12 per cent of sole-support parents on social assistance in Ontario.

There were many fears and suspicions, the minister knows full well, surrounding these decisions. We are all aware of that. It was feared that municipalities would now be expected to

assume a greater share of assistance costs than previously, and that sole-support mothers would be forced to seek employment or lose their benefits.

Women feared for their abilities to obtain jobs in an economy suffering a very severe economic recession. Some critics painted the whole exercise as a chance for the province to save money, since long-term assistance is 100 per cent funded by the province, with 50 per cent of the money being refunded by the federal government.

It appears that there have been, after some initial startup difficulties and suspicions, gains emerging from both of these initiatives, despite concerns that still legitimately remain regarding women finding long-term employment. Of the 3,000 who took part in the employment initiative programs, about 1,000 have found work. About 500 found full-time and 500 found part-time work. Many others are on upgrading courses or seeking work.

I want to take particular note of the Peel Region pilot project because through its efforts, through a community group called Project 1000, it emphasizes the training of women in nontraditional occupations.

The heads of 240 families on mother's allowance and social assistance were offered the opportunity in 1983 to break with the past and to establish personal and economic self-sufficiency through meaningful employment, skill-training programs or a return to education. On average, the women in that program had grade 9 or 10 education, two children and limited working experience.

During the first six months of the Peel program, of the 100 who completed the program, 48 entered further education, 13 had full-time employment, nine had part-time employment and four others entered active job search. In Peterborough, 17 full-time positions were obtained by October 1982. By March 1984, it was up to 51 positions. The number of part-time positions also increased during that same period.

These are happy endings, to be sure. Of course, the fear exists that some women will be laid off, but hopefully the job skills they have acquired will serve them well in future job-search efforts.

The training they acquire must be tied to the needs of the job market if long-term employment is a goal. Let us be clear. The number of those who found employment is low compared to the number transferred to municipalities. However, I believe they indicate the potential of the program.

Integration has provided positive results for clients and cost savings for municipalities. I know the minister has spoken about this. Time spent with clients has increased. Accessibility to municipal programs is a plus, as is the decrease in time spent waiting for the transfer from general welfare assistance to family benefits allowance.

In my own community of Windsor, the director of social services estimates that about \$450,000 has been saved due to the transfer from GWA to FBA, taking one to two months from previous time frames of three months and more. In Peterborough, the length of time has been reduced from 92 days to 38 days; in Peel, from 100 days to less than two months. Those are statistics which the municipalities provided us. They speak very loudly.

It is true that when given the opportunity to be gainfully employed, learn new skills or have further education, only some support parents responded. It is also true that a choice can only be made to take that opportunity if it includes support services such as day care, job training and education.

I am still not very pleased to know that informal day care arrangements have been encouraged in many of these pilot projects. I do not believe that is good enough. Guaranteed, quality day care is a right these parents have and which they need to enable them to return to the work force. I think it is very important that, as they go through what, for many of them, is a very difficult time, they have a guarantee of quality day care.

I believe, as the minister has repeatedly stated, that the option of a mother to remain at home to fulfil the important task of raising children must be respected. This choice must in no way affect social assistance levels and service provided by case workers to that family.

On November 27, 1981, the minister stated, "Our efforts and energies will be expended to ensure that those requiring ongoing support receive it and those in need of assistance and encouragement to return to a normal living and working life will have a wide variety of programs and services available to them." I think it is fair to say we will be ensuring—and the municipalities will as well—that he will be held at his word.

Hon. Mr. Drea: Can I ask you a question? I am a bit bewildered.

Mr. Wrye: I would appreciate it if I could finish my opening statement. I did not ask you any questions. I know I was not here, but I did not ask you any.

Hon. Mr. Drea: I do not think it will hurt your statement. Does your party support this one?

Mr. Wrye: I thought I was making that clear.

Hon. Mr. Drea: That is a very fundamental change in policy. That is what confused me. I did not know that.

Mr. Wrye: I think some of our earlier concerns over what the income might be—

Hon. Mr. Drea: No. Your formal party position was taken on a TV tape.

Mr. Wrye: I am sure you will have the tape.

Hon. Mr. Drea: No, but I can get it for you.

Mr. Wrye: Okay. The Ontario Liberal Party will be holding the minister to his promise, "No municipality will suffer increased cost due to integration." My party advocates that written agreements be negotiated and signed between municipalities and the ministry reiterating the reasonable conditions which must be met and ensured before integration is possible on a permanent basis. That is only right and proper in order to protect the municipalities.

11:40 a.m.

Our party believes the ministry must protect the jobs of those workers affected by integration. From my recent trip out to an Association of Municipalities of Ontario conference, at which ministry officials were present, I think the minister is certainly well aware that there are difficulties in the area. We must have immediate and detailed consultation to this end because there really is a problem there.

As I understand it, a number of matters will be going forward towards the end of the month concerning this issue. There was great concern at the Association of Municipalities of Ontario. It is our view, and I hope it is the minister's view, that the matter should be proceeded with only after full and open discussion and that the involvement of those municipalities should remain, in the best sense of the word, entirely voluntary.

I want to turn briefly to the issue of income maintenance. Sole-support parents are not the only residents of Ontario who need some form of social assistance to provide them with a guaranteed income. In the last few years we have been faced with the creation of the new poor: People who were formerly in the work force who, for a variety of reasons most often tied to the economy, have been unable to find a job.

We were obviously pleased in some ways to hear in October of this year that the government had decided to increase the social assistance payments. It was a 4.5 per cent increase in basic allowance payments to single people or heads of

households; a 7.5 per cent increase in assistance to dependent children, which was long overdue; a \$10 a month increase in the maximum shelter subsidy for single people; and a \$15 increase to \$155, if my memory serves me correctly, to families, as well as additional supplements to welfare recipients in remote areas of northern Ontario to cover higher living costs in that portion of the province.

These increases are a step in the right direction, but they do not by any stretch of the imagination do the entire job. The Social Planning Council of Metropolitan Toronto has contended that the increases still leave many people with at least 30 per cent less than they need to avoid poverty.

For example, combined with federal benefits, such as family allowance and the child tax credit, the new increases will give a single parent with two children an annual income of \$10,967. This is little better than two thirds of the \$16,000 the federal government estimates a three-member family needs to pay for shelter, food and clothing in a large city.

Welfare payments have not adequately reflected living costs for almost 10 years. These new increases, though well within the provincial government's restraint guidelines, barely match inflation. I think the government should consider, and we have certainly said this in the past, reviewing its welfare programs with the aim of providing more realistic payment levels, particularly those at the family level, where they are clearly and highly inadequate.

I want to turn very briefly to services for the disabled and make some comments in that field. It was a little over a year ago, in October 1983, that I was a speaker at a March of Dimes protest in front of the Legislature regarding the inadequacy and ineffectiveness of the services and programs this government provides to the estimated 900,000 disabled persons in Ontario.

Last month, one year later, I met with the March of Dimes in Hamilton. I believe it was Hamilton, but it may have been Oakville. The message we got that day was that the government still had not acted on many of the concerns that are frequently raised in regard to the disabled.

It is certainly not the minister's fault; I can understand that he may well have had a different assignment or different plans that morning, but it is my understanding from the March of Dimes people, a very good and reputable organization, that some nine or 10 members of this government were invited at various times to attend this meeting which my colleague the member for

Bellwoods (Mr. McClellan) and I attended. Apparently the government did not have sufficient concern to attend this very important conference.

Hon. Mr. Drea: No. Let us get it on the record, my friend. I do not know why you would raise a thing like that without asking me. They asked me months before, and I told them I could not do it. They asked my parliamentary assistant, and he told them he could not do it. Then they waited until the last minute and tried to scurry around. Let us just put it that way.

If you want to fight with me about it, go right ahead, but let us keep it in its context. I cannot make every speaking engagement I am asked to attend or you would never see me. Maybe that is what you want.

Mr. Wrye: Do not tempt me. I said at the outset that the minister may have had another engagement, but I cannot believe, and I will not believe, that a government party with 71 members and a cabinet of 28 or 29 members cannot make such an important event. I appreciate that the minister and his parliamentary assistant both may have not been available, but surely someone in this government was available. I can only say that you folks are always available for ribbon-cuttings. This was not a ribbon-cutting; so perhaps it was not quite as important.

A year ago, I promised to draw the attention of the government to the concerns of the disabled. I submitted a resolution on behalf of my party to the House which called for the establishment of a select committee of the Legislature to report on issues affecting disabled persons and their families. The committee was to review the impact of existing legislation on employment, education, housing, accessibility, transportation benefits, health care and recreation for the disabled. It is a pretty long list, but their needs are fairly long too.

The government House leader assured us that the request would receive "fairly high priority" in the cabinet. To date, no such committee has been formed and this shows, I believe, the high priority this government gives to the concerns of the disabled.

There are a number of concerns that I and my fellow caucus members have; they are concerns that relate directly to the Ministry of Community and Social Services and the services it provides and that relate to other ministries. Again, it is one of those problems that are integrated among many ministries, most of which are providing

very few solutions. I want to outline some of these concerns briefly in the next few minutes.

First, I am concerned about the level of guaranteed annual income system payments for the disabled. It is my belief that Gains-D payments for the single disabled should be equal to the payments for the single elderly in this province. This is a point I made at the conference and I reiterate it today.

Second, I am concerned about the assistive devices program. It is time for this program to be expanded to cover the entire disabled population and not just children.

My next concern is the issue of attendant care. It is much more efficient and humane to provide a disabled person with an attendant rather than to institutionalize him or her, and yet few attendant care orders are approved by the minister.

Finally, I am concerned about employment and the disabled. Many barriers exist which prevent the employable disabled from obtaining satisfying employment and becoming productive, self-sufficient members of society. These barriers must be attacked and overcome and that must be accomplished soon.

In his budget in May 1984, the Treasurer announced that the Ontario government would guarantee a basic annual income of more than \$8,000 for the single elderly. The increases in the Gains payments necessary to ensure this goal benefit 124,000 elderly persons in Ontario. The single disabled are provided with no such guarantee; the budget included no increases in the Gains-D payments.

At present, a single disabled person receives approximately—I am not sure of the exact figure; I think it is slightly less than \$200 than a single elderly person on Gains. The government's recent announcement of payment increases included only a standard cost-of-living adjustment.

When questioned on this discrepancy, the Provincial Secretary for Social Development (Mr. Dean) replied that pension levels are under constant review. The time for review has come and gone. It is time to increase the pensions to provide to the single disabled the same kind of meaningful level of financial support we provide for the single elderly.

In May 1982, the then Minister of Health instituted the assistive devices program to cover the needs of the physically disabled up to the age of 19. The program was to be reviewed after two years and expansion was to be considered. In May 1984, the minister agreed that the children's program had been a success and said he expected to take recommendations regarding the program

to cabinet before July 1984, when the program would be two years old.

So far, as members of this committee know, the government has made no move towards expanding the program, despite the fact that the assistive devices advisory committee has assessed the existing program and recommended its expansion to include adults. I could go on to describe the problems that has caused for organizations, such as the War Amputations of Canada and the Ontario March of Dimes, but I will not because I think they are obvious.

11:50 a.m.

Members of all parties have certainly been in touch with those organizations and have been contacted by those organizations, which have been lobbying quite aggressively to get on with this job. The minister is in a prime position to encourage his colleague the Minister of Health (Mr. Norton) and his cabinet colleagues to extend the assistive devices program. I want to urge him to do so before a gap in services occurs, because the voluntary sector simply cannot afford the program.

In the same budget, in May 1984, the government announced it was going to expand Ontario's attendant care program. First, the number of cluster dwellings is to be expanded by 78 a year, over five years, to help a total of 390 disabled persons. Those 390 will be in addition to the 430 disabled already served by the program.

As well, the government announced the introduction of the outreach attendant care program to enable severely handicapped persons to remain in their homes or to return home from institutions. This program is to reach 48 persons annually over five years, to serve a total of 240 disabled.

There are a number of problems with the two initiatives. First, look at the number of people they pledged to help, a total of 630 disabled persons over five years, which is obviously not a very large number in a province of this size and population. Second, the programs guarantee that attendant care will be available on a 24-hour basis but not necessarily for 24 continuous hours.

Finally, there are some clouds over the fate of the order-in-council process. The minister apparently has indicated the order-in-council process may not continue, yet applications continue to reach the ministry through the area offices. In addition, applications very often reach the ministry on a delayed basis through the area offices.

One case has just come to our attention, and I am going to be sending it privately to the

minister. I considered raising it in the estimates, but I think I should send it to him.

Hon. Mr. Drea: Fine, Mr. Wrye, and I will reply to you. There is a reason for that one that you may or may not have. It is a very fundamental reason, and the reason you are making those comments is that you obviously do not understand the program.

Mr. Wrye: As I said, I will raise a case with you.

Hon. Mr. Drea: Fine, raise it.

Mr. Wrye: One area in which the Ministry of Community and Social Services can play a large and active role is that of employment and the disabled. It is estimated that between 50 and 80 per cent of the employable disabled are out of work. Employment centres and counselling agencies have files bulging with the applications of those disabled who want work. For a variety of reasons, the disabled have difficulty finding steady employment.

Barriers to employment include such problems as accessibility. One Oshawa man recalled difficulties in job hunting when he was faced with buildings that were not accessible to wheelchairs.

The Ontario Building Code provides for accessibility to the disabled in all new buildings, but it does not make accessibility mandatory for existing buildings. As well, new businesses of less than 6,000 square feet in area are exempt from making their businesses wheelchair-accessible. To overcome one foot in height on a curb or a flight of stairs, 12 feet of ramp length are needed. Each length of ramp costs about \$250 to build, regardless of the materials used.

This ministry and this government could do two things to improve the situation. First, I believe the minister can and should press his colleagues in the Ministry of Municipal Affairs and Housing to strengthen the building code provisions concerning accessibility to include all buildings. As well, this minister could create a grant program to help businessmen make their businesses accessible.

Many of the employment problems of the disabled are found in the workshop setting. The minister is aware of these problems—problems in assessment, remuneration, training placement and employment status, to name just a few. Only one third of the workshops in Ontario have work permits. The remaining two thirds can be seen to be in violation of the law, since they produce goods and services while paying less than the minimum wage. One young man received 50 cents for rewiring six electric motors.

The ministry itself undertook a major review of workshops in 1983 as part of its program development series on the developmentally handicapped. In this review, the ministry recognized that although the number of services provided by workshops is effective, there is a list of concerns that require resolution.

Workshops have been described as paying insufficient wages, providing boring and repetitious work unrelated to work found in competitive industry, offering ineffectual training programs which continue for years, placing very few clients in jobs and not offering clients the opportunity to participate adequately in the decisions that significantly affect their lives.

The ministry's report made a number of recommendations specifically geared to increasing the productive capacity of clients through improved training programs, to making the operation of programs more efficient, to increasing the rate of entry of workshop clients into the competitive labour market and into financial independence and to increasing the involvement of clients in the decision-making process.

I trust the minister has carefully reviewed this report and other reports on workshops which have been issued in the past couple of years. The time for reforms in the workshop setting is upon us, and I urge the minister to act swiftly in this regard.

It is time to eliminate group permits in favour of individual work permits. These would ensure the rights of the workshop clients, who are in fact employees. Welfare payments should be given through the workshop in the form of wages.

It is time for the minister to initiate basic reforms to the workshop setting; reforms that have been outlined in numerous reports in the interest of increasing income sufficiency and independent independence for the disabled.

I want to turn briefly to the closing of the centres for the developmentally handicapped. I gather there is a statement the minister made this morning. I have not had a chance to review it, but I will. I do not think it really affects what I am going to say. It is an issue that is still of great public concern, particularly since the St. Thomas Adult Rehabilitation and Training Centre is due to close soon. I do not think the minister was talking about that centre.

The record of the five-year plan so far has only served to prove that the ministry was not adequately prepared to handle the increase of clients in the community when the centres were closed. To date, many of the residents from closed centres have not been placed in the

community. Of all the residents discharged from the five facilities closed to date, in the figures made available to us, only 226 have been placed. A full 42.1 per cent of the possible resident placements have been reinstitutionalized in larger facilities. Of those from Bluewater Centre, 51 per cent have been placed in that manner. As well, the ministry has planned to transfer 35.8 per cent of the START resident population to larger facilities.

In its recent analysis of the five-year plan, the National Institute on Mental Retardation concluded:

"The five-year plan depends upon a ministry prepared and equipped to do its job; depends on mechanisms that assist communities to respond to their fellow citizens with mental handicaps. This ministry was simply not prepared to meet the challenge of community living as a policy focus."

The report went on to say:

"It is no longer possible to disguise the ministry's lack of preparation and consequent inability to manage the development of community service systems. Reliance on charities has become a way of life for the ministry. It now has little option but to appeal to and, in some cases, manipulate community charities to fill the gap. Neither the expertise nor the resources required to fill the gap are available within the ministry. Unfortunately, community charities are also reaching the limits of what they can do in the absence of the structures required to organize, manage and co-ordinate services and programs so that they can operate together as a system."

I could provide the minister with a litany of cases in which many individuals are worse off now than before the centres started closing. One former START Centre resident has been admitted to the St. Thomas Psychiatric Hospital because his community placement found him unmanageable. A resident discharged to a community residence in Woodstock was returned to the START Centre the same day he was discharged because of his behaviour. He was involved in a placement visit at that placement prior to his permanent discharge.

Another START Centre resident died at the Oxford Regional Centre as a result of an outbreak of salmonella poisoning, a chronic medical problem. At START, she had resided in a chronic care living area with a high staff ratio and constant nursing care, and in the Oxford Regional Centre that was obviously not available.

My party supports the principle of deinstitutionalization. Let there be no doubt about that. However, we do not support the closing of centres when there are not adequate community support programs in place. The only group that benefits under the present scheme is the ministry, which is saving money through closing centres and not reinvesting it in support services. The five-year plan must be re-examined to ensure that residents will no longer end up living in larger institutions or in inadequate living conditions in the community at large.

I want to make a couple of brief comments regarding the strike at the Metropolitan Toronto Association for the Mentally Retarded. On November 10, 400 counsellors, instructors and social workers went on strike. As the minister knows, and as members know from questions in the Legislature, the walkout affects services to some 3,000 people at the association's 40 homes, training centres and workshops. Already 10 of the 23 group homes for adults and children have been closed, affecting more than 180 people.

More important than the administrative and labour issues involved in this strike is the fact that vitally needed services are in danger. Besides the closing of the group homes, many other services have been affected, such as preschool and child care programs for developmentally handicapped children and life skills programs for older children, vocational programs in which borderline mentally retarded adults receive job training, five shelter workshops which provide employment for 600 adults, employment and counselling programs and protective programs for people who live independently but need full-time help in shopping, medical services and budgeting.

12 noon

This strike is now well into its fifth week. This ministry does provide a sufficiently large amount of funding to the association, and in many ways it does have a direct concern. Without in any way suggesting that we barge in on the autonomy of those organizations, I hope this minister and his colleague the Minister of Labour (Mr. Ramsay) can look for new initiatives in the very short term to put an end to a strike which has got to be a very unhappy one for all involved.

I could make some comments with respect to the proposals which I understand the union is making and, if I did, I would probably say they seem to be reasonable. I believe this minister has a mandate perhaps to sit down with the Metro association and see what is preventing that association from making a reasonable offer

which might settle the strike. I do not believe a wage freeze for some and a wage cut for new workers is an offer that is likely to be the basis for a settlement. I would hope that this minister or his colleague the Minister of Labour would want to sit down and see if this very unhappy situation, which is severely affecting many of the clients of the Metro association, can be resolved forthwith. Four weeks is not only long enough, it is too long.

I want to conclude my remarks by discussing an issue that has been well publicized in the past year and certainly in the past two or three years. It has been more than a year since the government responded to the report of the standing committee on social development on family violence which dealt with the serious problem of wife battering. We have all come to recognize just how serious and important an issue this is.

One in 10 Canadian women who are married or live with a man are battered. In fact, the Deputy Premier (Mr. Welch) in his remarks in the estimates of his ministry indicated the figure may be higher. That means that in Metropolitan Toronto alone there are approximately 50,000 battered women. Last week, for example, the city was shocked by the murder of a woman who had been severely beaten by her husband every week of their 16-year marriage. When she finally decided to leave, ironically, she was killed for her courage.

Since the government's response to the social development committee's report, Ontario has made some positive moves in dealing with wife battering. Last June the minister announced new initiatives to provide funding for new shelters and safe homes for victims of family violence and their children. The minister's colleague the Minister responsible for Women's Issues (Mr. Welch) has set up a special branch within the women's directorate to deal with family violence.

There is still more to be done—much more. Transition houses are in the same position that they were a year ago. Funds are tight because of the per diem rate payment. There are no standards. There are few government-funded support systems for women after they leave their husbands.

I want to urge the minister—as I urged his colleague the Deputy Premier, and as we have been urging this government for the past year—to consider seriously the immediate introduction of a bill devoted exclusively to services for battered women. Such a bill would cover standards for transition houses and implement block funding to

ensure that capital and operating costs are adequately covered. It seems to me that as we move forward, this kind of legislation is overdue, and I urge it upon the minister.

Those comments conclude my remarks. I thank you and apologize once again for being out of rotation.

Mr. Chairman: Does the minister have a reply?

Hon. Mr. Drea: Yes, on a couple of them. My deputy will reply in some depth.

First, I am very sincere in saying I am absolutely flabbergasted that the Liberal Party now supports the integration of welfare. I must apologize for saying otherwise. It is obvious the New Democratic Party opposes it. They have never made any bones about it. They even oppose it at the municipal level with their municipal councillors.

I have been saying, based upon my experiences in front of this Legislature and never having been told otherwise by the Liberal Party, that the Liberals opposed it. I am very pleased that they have decided to support it.

Mr. McClellan: A big mistake.

Hon. Mr. Drea: That may be your view. You are losing all over the place.

I must say that today is a very historic day. Last night the council of the municipality of Thunder Bay, which was one of the test parts, voted nine to four to go fully into this; they are now going in completely. They have a very big breakthrough in the personnel issue, on which they are meeting this morning. I fully expect it will satisfy all the employees, both my employees, who will go to the municipality or to the district, and their own employees. That is the first one. I believe your municipality is going to do it.

I am just intrigued. However, it is probably my fault for not ascertaining the support level before. This is of the party, not of the member.

Mr. Wrye: This is the party's opening statement. I am speaking on behalf of the party.

Mr. Sweeney: The member for Windsor-Sandwich speaks for the party.

Hon. Mr. Drea: Okay. Good. You did something else in your opening statement; you talked about your Options for Living. Is that the name of it? I never really got a chance to comment on it when it was tabled in the House, because on the day you tabled yours, the New Democratic Party tabled a report of its own. What was the name of the NDP report? Was that

report on the elderly called Options for Living too?

Mr. Sweeney: Ageing with Dignity.

Hon. Mr. Drea: Something like that. That day I was caught in a great quandary because you came down four-square saying it should all go to the Ministry of Health and the NDP came down four-square with exactly the same data and said it should all go to us.

However, some time later I received a copy of a letter that was sent to your leader by the Ontario Association of Homes for the Aged. Have you ever seen that?

Mr. Wrye: I see a lot of letters from the association.

Hon. Mr. Drea: It is the critique of your position.

Mr. Wrye: I think I have seen it, but it has been many months, so you should probably refresh my memory. I think you were going to.

Hon. Mr. Drea: No. I just want to point out that it is a rather fulsome letter. It was particularly pleased by your report on the need for a number of things.

I want to say this before I read something else. It is a quote from them. "Your party is to be commended on identifying and emphasizing these needs." They are talking about the specific references you make. But then they go on to make the following point:

"We would suggest your party seriously review the recommendations that suggest the Ministry of Health be the ministry responsible to resolve our current problems in care of the elderly. Our strong recommendation is that the task to be accomplished is so massive and so fragile it needs the status of its own ministry, called the ministry of long-term care.

"Secondly, if one of the current ministries must take on these added responsibilities, consideration be given to the minister with the greatest experience in social support services.

"We hope our comments are received positively. We feel your research paper is a good step forward.

"Yours sincerely, the Ontario Association of Homes for the Aged."

Mr. Wrye: It is a good letter.

Hon. Mr. Drea: I thought it was. The Treasurer thinks it is too, and I am not a supporter in the current thing of the Treasurer, but you can see that he is right with them.

Mr. McClellan: Does that mean you are leaning towards the NDP position?

Hon. Mr. Drea: No, I am not leaning towards any position. I wanted to say something back when those things were tabled, but because of the fact that you tabled yours and they tabled theirs in press conferences on the same day, nobody asked a question in the House about how the poor minister felt about it. No Tory dared to ask a question in such a minefield of a situation.

Mr. Wrye: I am delighted to have given you the opportunity. I always want to be fair to this minister.

Hon. Mr. Drea: Some of my people may review some of the details with you, but we are somewhat short of time this year, not through anybody's fault but because of a lot of things. Therefore, I want to say something about the five-year plan. That stuff you read about the five-year plan simply is not true.

Second, we are very proud of the five-year plan, particularly what is going on in St. Thomas. Read the St. Thomas paper, which is certainly no admirer of me. I think it gave a pretty impartial view, and we said that in our opening statement. Perhaps you might have read it if you had been here to see it.

We are not going to change the five-year plan at all. It has more than met the test. The change we made today is the final one.

12:10 p.m.

I am not talking about an individual. If an individual has some difficulty in a placement, surely you of all people, who are talking about the experience with the handicapped, would be aware that not every placement works, and for a number of reasons. I want to give you one statistic as to why I am not going to change.

Of the 487 people who have moved to community alternatives as of the writing of my remarks, 21 have experienced difficulties in adjustment and have been returned to a facility. That is 4.3 per cent; the predicted and general rule is nine per cent. That is for general discharges from facilities of people having emotional, physical or other difficulties.

Because of the screening and because a trial placement is made first to see if it will work, those coming out of the closed institutions are running at half the return rate. I do not like to use "failure rate" because it could be something as minor as a change in eating habits that would be very minor to you or me, but becomes very significant to somebody who is developmentally handicapped.

The fact that someone goes to a psychiatric hospital is no different to me from the fact that some people you and I know who have been

blessed with all their faculties go to psychiatric facilities. It is one of the things that comes not only with community living but also with facility living. There used to be a significant number—not large but significant—of transfers from facilities to psychiatric facilities. We changed that. Within reason, we started trying to handle as many of the emotionally disturbed as we could within the facilities.

Notwithstanding your call for a change, the plan will continue on schedule. I did make one minor change today but it does not affect the plan.

One of the things you did not read from the group that was quoted was the fact that it wanted me to adopt the American system. If you read that report, you know that they wanted me to have the Pennsylvania or Massachusetts system where one says: "This person carries \$50,000 with him for his care. What private agency wants to take him?" Was that not in there? That is what they want. I hope the Liberal Party is not suggesting that for this province.

Mr. Wrye: I did not read that section.

Hon. Mr. Drea: No, but I hope and trust you are not; I have that much faith in you. You read statements criticizing charitable organizations. They are criticizing associations for the mentally retarded. They are criticizing the Reena Foundation. The reason is they did their homework in Pennsylvania, which does not have AMRs of the same calibre we have in this province and does not have things such as the Reena Foundation, or very established things such as the children's village of the Salvation Army or some of the things Mr. Sweeney is familiar with in the region of Waterloo.

They simply do not have them. They wish they did. From a humanitarian point of view, I wish they did, too. Such researchers have to be taken in context.

When they suggest I am at fault, as they did in that report, for not putting a price tag on somebody and offering him up for a fee—I realize in the United States that is what they have to do to get any type of service—as minister, I do not want to have anything to do with a government in this country or this province that does that.

We have about 17 minutes left. There were some questions from Mr. McClellan the other night that Mr. McDonald has written answers to. You made some notes, Mr. McDonald, of specific information Mr. Wrye wanted. Should we get to Mr. McClellan's first, because they are in writing and are relatively simple?

Mr. McDonald: I would also like to table before 12:30 p.m. answers to questions that we said would be tabled which were asked during the estimates debate.

Hon. Mr. Drea: Could we do that right now? The reason we did not do this on Monday night is that some of the questions were from the Liberal Party and we wanted the opportunity for everyone to be here.

Mr. McDonald: What we have to table is the 52nd report of Community and Social Services, which covers the years 1982-83 and 1983-84. It contains the general direction of the corporate plan along with the historic operation.

Hon. Mr. Drea: Mr. Wrye wanted some details on the corporate plan. It is not that the report is anything out of the ordinary, but to avoid duplication of information, the corporate plan is in—

Mr. McDonald: We are also tabling a report on the use of consultants in the ministry, as questions were asked in the Legislature, for the years 1981-82 and 1982-83. I will make comments later this afternoon in respect of these, but I wanted to get this material out prior to the lunch hour, so honourable members might have a chance to look at the item. I will give perhaps a five-minute comment on each of these reports afterwards.

Also, there were replies to questions asked in the House that we said we would table here: question 54, unclassified civil servants; 83, motor vehicles; 112, parliamentary assistant's use of cars; 141, out-of-town trips for the minister, deputy minister and assistant deputy ministers; 170, public opinion polls; 249 to 256 inclusive, triministry projects; 273, homes for the aged extended care beds; and 400 to 406 inclusive, triministry projects. We will give out these reports.

We also have Three Decades of Change, which some people asked about—the history of social services in Ontario in the last three decades.

Mr. Wrye also asked 10 or 11 questions of the minister—he wrote a second letter as well—and I will deliver to him now the answers to those questions in writing. This will give us the possibility of looking at those at a later date. Our people will hand out the rest of the material now, so that members will have it available.

Hon. Mr. Drea: I would like a minute before we start, because this will be my last opportunity for a while to explain.

In the case of somebody applying for individual attendant care, the reason we want it done in the place closest to the applicant is that we want to see if there is a service in the area that will meet his needs. We treat these cases just the same as those involving a hard-to-serve child. In most cases total service is not available for these persons or they would not write. Sometimes there is and they just did not know about it.

We want to see if there is a service that would do. In 90 per cent of the needs we can merge two or three other services. Very few get through the local offices because that is arranged. I would be very disturbed if most of them landed on my desk because that would mean there was a horrendous gap in services right across the province.

It would mean that virtually nothing could be handled locally. We would have to go to the American system of providing people with funds in hopes they could purchase something. The fact that very few get through I think is an indication of the strength of the system. It certainly does not meet all the needs, but with a little bit of patching here and a little bit of addition there, we can meet most of them.

Oddly enough, there are some advocate groups who feel if you do not get through to the ministry you get nothing. There are some cases when the correspondence does come to the ministry, but it is referred to local offices. In 90 to 95 per cent of the cases, most requests are handled within a relatively brief period. Sometimes the person's particular request is held in abeyance for some months because his or her physical condition suddenly worsens. People have written me demanding action within a day but then, unfortunately, they have gone to a hospital for several months.

I would be very glad to answer later, but I just wanted to put that in perspective. It is very difficult to explain unless you have the opportunity to do it for a couple of months. I appreciate the time of the committee in allowing me to do so.

Mr. McDonald: I will not be able to get all through the questions by 12:30, but I will try to hit the first one. This was with respect to Mr. McClellan's comments on Monday night regarding the municipal delivery of financial assistance to employable persons in need and the delivery of employment-related services.

12:20 p.m.

We do this in the context of a detailed analysis that has been done by the ministry over the last two years, part of which Mr. Woollard has brought to your attention today. We also

deal with that in the context of \$11 billion of unemployment insurance benefit payments across the country, and \$8.2 billion of federal and provincial contributions to the Canada assistance plan, or almost \$20 billion in some type of safety net.

First, I would like to comment on the ministry's role and the municipality's role in employment related services. The social and technological changes in the 1980s, and the kind of unemployment we are experiencing today, require the co-ordinated effort of all three levels of government, as well as a number of departments within government.

Accordingly, although unemployment and the provision of services to the unemployed is primarily a federal responsibility, this does not and should not preclude a specialized and selective role to both the province and the municipalities. We do not feel this ministry is a pay wicket, as described, giving cheques to people on social assistance.

Over the last two and a half years, we are drastically moving to assist social assistance recipients on family benefits and general welfare to the same opportunities into the mainstream of life as are made available to exhautees and to other people in the marketplace.

The federal government through the Canada Employment and Immigration Commission provides financial assistance and the majority of services to those recently unemployed. My ministry, rather than duplicating CEIC services, has channelled much of its resources towards the long-term social assistance recipient who has expressed an interest in becoming financially independent. In the future, we do not want to see 55-year-old mothers, who have been on social assistance family benefits allowance for 20 years, finding themselves never having been given the opportunity to come back into the mainstream.

The actual services provided are designed to meet the unique needs of this group and to complement the federal system. We began in late 1982 with ESI, employment support initiatives, in nine test projects. These projects have met with a high degree of success. The particular enthusiasm of single-parent case loads has exceeded everyone's initial expectation.

The early success of ESI was one factor that led the Treasurer to provide the Ministry of Community and Social Services with \$120 million over three years, up front, in respect of any federal cost sharing. It is not only to expand the existing ESI program but also to introduce

selective employment services for other client groups with unique needs.

During the next three years we propose to provide employment support services to 58,000 long-term social assistance recipients, which are disadvantaged youth dependent on those for assistance. Many of the needs of those are best met by this ministry in concert with local government.

Over the years, municipalities in Ontario have developed a social service system department capable of assisting those groups in an efficient manner. Unlike other provinces, Ontario has fostered a very keen and high level of sophistication with municipalities.

As well, municipalities have a better understanding of local conditions and can thus best tailor programs to their own specific situation. With the province co-ordinating local initiatives, and establishing provincial guidelines, the best of both worlds is achieved. There is consistency across the province, combined with a flexibility to address local needs.

In order to ensure continued effectiveness at the municipal level, municipalities must bear some of the cost as they have in the past. It is no intention of the ministry whatsoever to place upon the municipalities any burden of cost which they do not now carry.

I recognize that the current formula for sharing social assistance costs should be reviewed and the municipalities have asked us to review those situations. Our staff is reviewing some of those items at this time.

As you know, a joint municipal-provincial committee is now conducting this review. It is very open and very above-board. On this committee are three representatives from AMO, the Association of Municipalities of Ontario, three from the municipalities in the test project, and three ministry representatives.

In the meantime, we are negotiating with 12 additional municipalities to establish new ESI projects. The response has been very positive, from clients, staff and municipal politicians.

I would like to comment on the municipal role and the provision of direct financial assistance to persons in need.

Hon. Mr. Drea: Could you hold it for one second? Mr. Wyre raised the point that this should not be made compulsory for municipalities. We made it very clear to AMO that we were not going to make it compulsory, but one of our problems now is that everybody wants to get on board. I just want to assure you, because of your

interest in your own municipality, the priority goes to those who were pioneers.

There are some claims by those who did not want to be as pioneering that now they should be given precedence over places like Windsor—and we count Essex county because they were involved to a large degree. We want to assure you that the priority for the signing goes with the nine and some adjacent areas like Essex which, while they were not formally involved, saved everybody a lot of money by becoming so informally involved that they really were.

Mr. McDonald: I would like to comment on the municipal role in the provision of direct financial assistance to persons in need. Unemployment insurance is a contributory insurance plan and its benefits are time limiting vis-à-vis the \$11 billion. As a result, as Mr. McClellan mentioned, about 25,000 people per month are exhausting their benefits. However, I would like to point out that historically less than 15 per cent of these move to welfare. The majority that does is in need of assistance for only a short period of time.

Eighty per cent of the employable cases are on general welfare assistance for less than one year. Most of these clients who are assisted for a shorter period of time do not require intervention by way of support services. For these cases, welfare is acting on a flexible and timely basis, effectively fulfilling its intended role as a short-time service. Thus municipalities have traditionally been and will continue to be primarily delivery agents of financial assistance to a small percentage of the unemployed persons who resort to social assistance.

They will also be primary delivery agents of specialized services for disadvantaged employees. The province will continue to co-ordinate and fund both the provision of financial assistance to all persons in need as well as the provision of employment services for the most advantaged in today's job market. To date, the principle has been shared and it has worked. It is a voluntary program. It is not the intention of the ministry to force any municipality into the program. However, the line up, as the minister indicated, is beginning to grow. It has worked.

We believe, at the staff level in the ministry, if we do not help the 62,000 mother-led families that are now on social assistance under family benefits allowance, if we do not assist the 17,000 mother-led families that are sitting on welfare, either coming on to FBA or looking for a job, with the 1,300,000 unemployed in the country which the Canada Employment and Immigration

Commission looks after, we will leave behind—again, as Mr. Woollard talked about over the past 15 years—a residual of persons who were never given a hand up. We believe this will work.

The nine municipalities on employment initiatives we have dealt with all believe it will work. There are at least 19 further municipalities in some range or another lining up to be able to get into the program. The reason those individual municipalities are doing that is they are convinced this ministry and my minister will keep our word that the financial remunerations for the delivery of the program, in financial assistance and employment initiatives, will be exactly what we said they would be. So far that is the case and we believe it is the best route to go.

We are most unlike Quebec and British Columbia in which the central provincial government centralizes and delivers the services. We have fostered a co-operative development of municipal governments. In fact, 25 jurisdictions will represent more than 75 per cent of the case load. So the delivery mechanism is there; the phones are there; the fixed costs are there.

We believe in partnership with the municipalities in a delivery mechanism and keeping the same financial situations as we have in the past and not trying to foist off costs, so that the social assistance mother and the disabled person who is employable will be able to get a job or have a chance to get into the mainstream.

The other question that Mr. McClellan asked—and perhaps I can get one done before 12:30—was why did the ministry cut back its workshop training expense and rehabilitation services by 5.6 per cent in 1984-85. That is on page 60. The

bullet-point response is: the reduction of 5.6 per cent occurs specifically in training expense programs. Training expenses provide for a variety of vocational, medical and training services for the disabled, including learning disabled children.

As a five-year expenditure trend indicates, 1984-85 represents the first time this program has not increased significantly. For example, in 1981-82 when the learning disabled case load peaked at 725 on an annual expenditure increase of 38.2 per cent, in fact, over the five-year expenditure, training expenses more than doubled.

With the introduction of Bill 82, school boards began to integrate these children into the public school system. To date, more than 350 children have been returned to the school boards out of the 725 at the peak. The reduction this year is, therefore, entirely in the line which falls in learning disabled case load. They are being integrated into the public education system. As of September 1, 1985, full responsibility for providing educational programs for the learning disabled will rest with the Ministry of Education.

Hon. Mr. Drea: There is also the fact that most of the separate school boards are now funded to offer special education. When we started this program, I do not think anyone foresaw that.

Mr. Chairman: Perhaps you can lead off when we come back at 3:30. Is that agreed? I presume we can leave everything here.

The committee recessed at 12:31 p.m.

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No. G-18

Hansard

Official Report of Debates

Legislative Assembly of Ontario

Standing Committee on General Government
Estimates, Ministry of Community and Social Services

Fourth Session, 32nd Parliament

Wednesday, December 12, 1984

Afternoon Sitting



Speaker: Honourable John M. Turner
Clerk: Roderick Lewis, QC

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LEGISLATIVE ASSEMBLY OF ONTARIO

STANDING COMMITTEE ON GENERAL GOVERNMENT

Wednesday, December 12, 1984

The committee resumed at 4:04 p.m. in committee room 1.

ESTIMATES, MINISTRY OF COMMUNITY AND SOCIAL SERVICES (continued)

Mr. Chairman: Mr. McDonald had some further comments he wanted to make with regard to some questions from Mr. Wrye.

Mr. McDonald: Mr. Chairman, we tabled the answers to the questions asked in the blue book.

Mr. Wrye asked question number 199 on some communications items. We had answered a similar question asked by Mr. Boudria just prior to that, so we will just table the same answer. The answer is the same today. There are copies for each of the members.

There were a couple of other questions asked, and I will try to go through them as quickly as possible. Mr. McClellan discussed the Ontario Association for the Mentally Retarded report on community programs for the developmentally handicapped. I would like to make some brief comments.

With regard to the report referred to on Monday evening, I had my staff check with the Ontario Association for the Mentally Retarded. They advised us that this report has not been reviewed or seen by their board of directors. However, in any event, the response will try to indicate clearly the ministry's substantial commitment to community services for the mentally retarded since the Williston report of 1974, as I said previously, and the Premier's (Mr. Davis) speech and commitment to community services for the mentally retarded made in Peterborough in 1974.

Since that time, programs for community services have increased from \$11 million to \$172 million, for actual services exclusive of family benefits. More important, this substantial growth has occurred during the last three years—that is, between the latter part of 1981 and now.

Between 1974 and 1981, community programs increased to a total of \$85 million. However, in the subsequent three years, the program doubled again to \$171 million. The reasons for this major growth include our commitment to community programs through the five-year plan, special needs programs, and

community initiatives, the most recent being the addition of 50 places, \$1 million, in the Toronto area for residential service.

With regard to the ministry's commitment to community services through the five-year plan, it should be noted that, to date, over 266 residential spaces have been developed for community residents and that 187 workshop spaces have been established for community clients. As you see, there are benefits to institutional clients coming to the community as well as those clients already in the community.

The report also indicated that there were growing pressures for admissions to schedule 1 facilities. An examination of the facts of admission over the last several years does not support that contention. In 1977, there were 427 admissions to schedule 1 facilities. By 1982, that had dropped to 190, and this year the trend continues, with only 124 admissions to schedule 1 facilities.

Hon. Mr. Drea: There would have to be fewer to schedule 2 facilities, because many schedule 2 facilities no longer offer long-term admission, such as the Sunbeam Home in Kitchener, and some others.

Mr. McDonald: Another aspect of the report that can be refuted by the experience to date is the concept of the revolving door. To date, 487 people living in schedule 1 facilities have been moved to the community. As the minister said this morning, only 21 have experienced any difficulty in adjustment and have been returned to a facility. This is 4.3 per cent, half of the predicted nine per cent return to facilities.

That was the pattern of community breakdown prior to the five-year plan, due to the efficient case management of both the institutional and community staff of this ministry and of our partners in associations and community agencies. We are experiencing substantial success, not the so-called revolving door articulated by Mr. McClellan.

Mr. McClellan also raised concerns regarding children and the admission of children, particularly to homes for special care. The Ministry of Community and Social Services strives to make available alternatives to institutionalization through its programs. The results can be clearly

seen in statistics relating to children in schedule 1 and schedule 2 facilities over the last decade.

As recently as 1970, there were 3,232 children in facilities. In the last four years, a dramatic decline has occurred. From 1980 to 1982, the number of children decreased to 1,094. By 1984, it had almost been halved to 612. Within that figure of 612, there are 282 in schedule 1 facilities and 330 in schedule 2 facilities. Most of the schedule 1 children are teenagers, but they are still under age.

In 1983, in those nursing homes where the majority of residents are developmentally handicapped and where close to 1,000 of the triministry clients reside, there were 103 children. Within that figure were the children at the Ark Eden Nursing Home who are now placed in the community. The figure of children across Ontario today in nursing homes is 84.

4:10 p.m.

Mr. McClellan: I have lost you.

Mr. McDonald: The total number of children in nursing homes and mentally retarded homes and special care nursing homes is 84 for mentally retarded children.

Hon. Mr. Drea: The first figure was 103.

Mr. McClellan: In homes for special care, the majority are mentally retarded, and the second group is nursing homes and—

Mr. McDonald: No. Nursing homes and homes for special care are basically the same as far as licensing is concerned. They call them homes for special care. There are 84 children left in homes for special care beds, some of which are in nursing homes and some of which are in homes for special care. But for all intents and purposes, they are homes for special care. There were 103 children, but Ark Eden Nursing Home—

Hon. Mr. Drea: Is included.

Mr. McDonald: Among the ministry's initiatives with regard to the triministry project was the establishment of an admissions, screening and review process for the central region of Ontario. That is the region from Oakville, through Toronto, up to Barrie. The committee was comprised of staff of the Ministry of Health and this ministry, program supervisors, a representative from schedule 1, as well as a service provider. This was established in 1982 for the central region admissions to homes for special care.

The report Mr. McClellan referred to is the report of the committee for the fiscal year 1983-84. That committee considered 36 referrals—it did not allow 36 people into the facilities—

both adults and children. Of that number, seven were children. Of the seven children, four were placed at Jann-Lynn Children's Nursing Home. One was a severe epileptic, another a child of a very ill mother who could no longer care for the child at home. The third was a crisis situation where the parents could no longer cope with a handicapped child. The fourth was placed at the insistence of the parent who was dissatisfied with the child being in the community.

As part of the triministry program, Jann-Lynn Children's Nursing Home provides developmental services as well as nursing care for 33 children in Keswick. During the visual presentation, a majority of the photographs were of the children's programs at Jann-Lynn Children's Nursing Home. These include behavioural management, developmental services, physiotherapy, speech therapy, social work, recreation and improvement in the ratio of staff to children.

In 1983-84, the ministry's initiatives with regard to the triministry consolidated and streamlined the services to children at Jann-Lynn Children's Nursing Home who were receiving services from eight different providers with attendant higher costs in administration. This was reduced to one major provider of developmental services and the support of the York Central Hospital.

This consolidation of services along with the tri-ministry project helped to establish, within existing funding, a group home with the Sutton and District Association for the Mentally Retarded for children who have since reached the adult age at Jann-Lynn Children's Nursing Home and were ready for community placement. As a result, in 1984, seven adults were discharged from Jann-Lynn Children's Nursing Home, four to the group home mentioned earlier, one to another group home in Richmond Hill, one to the Barrie and District Association for the Mentally Retarded group home and one to Sweetbriar Lodge Nursing Home in Stayner.

This enabled the program at Jann-Lynn Children's Nursing Home to serve a uniform population of developmentally-handicapped children, a program that included all the services I mentioned earlier in addition to an education program by the board of education for each child either at Fairmead School or at the Jann-Lynn Children's Nursing Home home itself.

I invite the committee to visit Jann-Lynn Children's Nursing Home and see for itself the first-class program that provides both nursing care and developmental services in a caring and stimulating environment. The success of the

Jann-Lynn Children's Nursing Home program underscores the results that have been achieved by the triministry project in providing developmental services at existing nursing homes or homes for special care.

The honourable member also mentioned an admission to Sunnyside Nursing Home in Sunderland. A review of our records indicates the last admission during the triministry program period was in May 1982.

Over and above those 84 children, in schedule 2 facilities operated by independent nonprofit boards and funded totally by the ministry there were 330 children as of October 31, 1984. Those children are located in Ongwanada Hospital in Kingston, Plainfield Children's Home in Belleville, Christopher Robin Home in Ajax, Rygiel Home in Hamilton, Bethesda in Niagara, Brantwood Residential Development Centre in Brantford, Sunbeam Home in Kitchener, Cochrane-Temiskaming Resource Centre in Timmins and Hogarth-Westmount Hospital in Thunder Bay.

Mr. McClellan: Was that the total number of admissions of children to agencies and nursing homes for 1983-84?

Mr. McDonald: Yes.

Mr. Chairman: Do you have anything further, Mr. McDonald?

Mr. McClellan: I would like to pursue it a little bit, but perhaps Mr. McDonald can complete his presentation and then we can come back to it.

Mr. McDonald: Several other questions were asked. Mr. McClellan raised questions with respect to the underspending within the residential services and community resources centre line of \$3.1 million. It should be noted that this line is just one component of the total transfer payments under developmentally handicapped services activity.

The estimates for the total transfer payment for developmentally handicapped services last year was \$182.5 million, with actual spending of \$181 million. Thus, within the total transfer payment there was some adjustment of the funding within the transfer payment during that year to respond to the detailed service requirements.

The difference between the actual and the estimated expenditures for the total transfer payment reflects the fact that there were some changes in the timing of bringing community residential spaces into full operation in comparison to the plan at the time the estimates were prepared. The underspending does not reflect

any change in the commitment levels to the actual spaces that were to be brought on. At no time was any resident moved out of the facilities without an appropriate residential placement.

The member also asked for some statistics, which we will forward separately to him and to other members of the committee, with respect to numbers of people in residential group homes, conversions and family homes with respect to the five-year plan.

We have not garnered all the figures together and we will not have them until tomorrow morning. But in general terms in 1984-85 the total number of group homes, special support homes and family homes was 864, which were either occupied, under construction or under alteration. In 1985-86, because we wanted to look ahead, the forecast is that on March 31, 1986, there will be 1,367, and we will give the members the breakdown of the group homes, special homes and family homes. By March 31, 1987, there will be roughly 1,608 spots and shortly thereafter it will go up to 1,710.

Mr. McClellan: These are adults and children or just adults?

Mr. McDonald: For the whole plan. There are no adults in any of those homes, but I would have to check the records.

Interjection: Those were for children.

Mr. McDonald: Children. I am sorry.

Of the 1,710 that there would be at the end of the program, 1,089 will be for those who will move from facilities—that is, the 17 original facilities—into the community. The remaining 621 spaces will be for community placements for those already living in the community.

4:20 p.m.

As far as the workshop and life skills places at the end of the same period are concerned, there will be 1,785, of which roughly 1,000 will be for persons coming out of the institutions. The remaining 785 will be for those people living within the institutions.

By tomorrow or Friday morning we will have the breakdown ready for the members and we will deliver it to each member of the committee for his records.

It has just been pointed out to me that some of the beds for people coming from the community will be for children. There are some children in the community who require residential care. Most of those children are in their teens, but I cannot tell you whether they are below 16, below 18 or on the borderline.

The other item I wish to point out is in the red book that was delivered to honourable members on the consultants. This question was asked in the Legislature. We indicated we would table the answer in the committee. I would just like to indicate the response to question 25, dated May 22, 1984, about the ministry's use of consultants. I am tabling today a report providing complete data on management, technical, communications, legal and research consultants, as required for 1981-82 and 1982-83.

As the report indicates, a well-defined control system on the use of consultants is in place in the ministry. It encompasses not only the provision of the Ontario Manual of Administration, but also more specific ministry controls. I believe the material contained in the report is indicative of the fact that the existing controls are effective and that the retention of consultants in Ministry of Community and Social Services is in keeping with the government policy of purchase of management professional services.

We estimate that collecting this data has required an allocation of approximately four man-months of senior and clerical staff's time. Someone had asked in the Legislature, as a supplementary question, how much time this would take. We estimate that much greater effort would be needed to collect material from before 1981. Those files, which are stored now at the Cookville warehouse, are not readily available.

We wish to co-operate fully with these reports and information to honourable members and think the attached detailed report demonstrates this. We believe the analysis of professional services agreements for this period is a good example of the experience on which they can draw their own judgement. I hope, therefore, honourable members will review the report carefully. If there are any specific questions they might have at a future date—I understand the estimates will not last forever—I would be happy to answer personally each of the items.

At the front of the report, the first five pages are explanations of each of the sections of the report. There is a detail of each contract with the title of the contract, and information is contained therein.

Hon. Mr. Drea: Before Mr. McClellan goes on, this is a very noteworthy day. While I was absent after the morning session—I was in cabinet—one of the orders in council that was passed and will be posted by Friday is the appointment of Mr. McDonald to another three-year term as deputy minister of this ministry. As I

remarked to the Premier, and the Premier agreed with me, it is an outstanding order in council.

Mr. Chairman: I agree with that.

Mr. Wrye: On behalf of our party, we want to pass along our congratulations. Maybe we will be here for another three-year term or however long.

Mr. Chairman: Is there anything else, Mr. Drea?

Hon. Mr. Drea: I just wanted to get that in. It shows how efficient a deputy minister he is in replacing a deputy minister who wrote all the rules and is now secretary of Management Board of Cabinet—Mr. Carman—and enforces all the rules.

Mr. McClellan: I will not spend a lot of time—perhaps 10 minutes—on the concern I raised and I hope at least come away with a clear understanding of where we are in terms of the development of community residential services as part of the five-year plan.

I have an update of the Adult Protective Services Association survey that covers 40 areas. There were 16 in the first report I shared with you Monday night. The data are basically the same. It is an expression of concern on the part of adult protective service workers who were told in the questionnaire about a number of problem areas. One at the top of the list was residential services for adults. The major gap was identified as waiting-list times. The range is from a low of one year to a high of five years.

Secondly, as I mentioned on Monday night, there is the question of vocational services for adults, particularly in the area of competitive or challenging employment opportunities. Again with respect to waiting lists, three months to a year seems to be the range as found in the survey.

Third is the issue of respite services for adults.

I appreciate the response I had from the deputy minister, but perhaps I could try to focus on what the ministry is doing by way of developing residential services. Let me try to express my concern without taking a great deal of time.

When we look at the estimates book on page 98, residential services, we see 187 group home spaces were built in 1982-83. There were an additional 237 spaces in 1983-84. However, this year, according to the information available, there will be 163 group home spaces built in 1984-85.

If I understood what the minister said earlier, that is not the total picture because it does not include family homes. However, what adult protective service workers and others in the field

are saying is that in this stage in the deinstitutionalization program the majority of the people who are being moved from facilities back to the community have more severe developmental handicaps than those who were moved out in earlier phases.

The concern is being expressed that family homes are not going to have the kind of backup, support services and staff levels that will be required to deal with a more difficult group being reintroduced into the community. People are expecting it will be more difficult from this point forward to provide the range of backup services and supports, and that cannot be accommodated through the family home program. It could be done by developing additional group home programs, but they do not appear to be in the estimates.

4:30 p.m.

This is a situation which I think is potentially very alarming. Adult protective service workers are saying there are major waiting lists already for residential services. The estimates of the ministry show the lowest number of new group home beds in three years. You have an increased pace of deinstitutionalization as part of the five-year plan and you have, as a result of the survey, adult protective service workers reporting reinstitutionalization of clients. That is what the survey says. As the survey is updated to 40 areas, I will just run through that section again with the updated information.

"In 13 areas, people are reporting clients being reinstitutionalized in nursing homes or retirement homes. In 26 of the areas, APSWs have reported people being reinstitutionalized in institutions for the mentally retarded; in 12 areas, hospital settings, mostly psychiatric units; in four areas, boarding homes. Two respondents indicated jails."

I understood what the minister said earlier about psychiatric admissions.

Hon. Mr. Drea: I know of no reinstitutionalized persons. I defy the Ontario Association for the Mentally Retarded or any of their friends to produce it. I know of no person who was one of our clients—residents, patients or whatever in a facility—who, when he went into the community, later wound up in a rest home.

Mr. McClellan: In a retirement home?

Hon. Mr. Drea: The same thing.

Mr. McClellan: Right.

Hon. Mr. Drea: I know of none, and I really think we would have that information.

Mr. McDonald: What I would like to point out is that—

Hon. Mr. Drea: Don't you? I mean, that would be extraordinary.

Mr. McClellan: I would think so.

Hon. Mr. Drea: Somebody would have to place him there. We would have to know and approve, and an APSW would certainly be involved. That is what I do not understand, unless an APSW did it and did not bother to tell us, which would be the end of the APSW's career. I think you can understand the seriousness of a thing like that.

Mr. McClellan: I do.

Mr. McDonald: The thing we have to be very careful about now is that we are talking about two things. We are talking about those who have been moved from the institutions in the present program and the 7,700 people who were already in the community where APSWs monitor the program. We pay the APSWs 100 per cent of their salary. They are to report through the area offices. We have not received this supplementary report.

The information we have in our files is the information I have given today with respect to the five-year plan. There may have been someone in 1974 who was in an independent living situation being monitored by an APSW who went to a retirement home, or there may be a person who is 68 or 70, of whom I have no knowledge.

However, with respect to the ones who have come out of our institutions in the five-year plan, which I thought was being referred to on Monday night, the 21 people I mentioned comprise the only knowledge we have of any failures with respect to discharge from institutions during that period.

I would just like to clarify the fact that there may be two groups. We would be very happy to look into the latter group with the 142 APSWs who report through our area offices, who are not employed directly by the ministry but by transfer payment agencies who provide the service of which this ministry pays 100 per cent.

Mr. McClellan: Why is the number of group home beds planned for 1984-85 substantially down from 1983-84 and down again from 1982-83?

Mr. McDonald: I will give you an example. Again, I am going to have to communicate the numbers to the honourable members and I will do that in some detail.

In 1983-84, we will have created 553 new spaces in group homes, special support homes

and family homes. The persons coming out of the institutions will number about 188 in very rough terms, and there will be 59 placements from other areas, mostly the community, equalling about 247. However, 553 have been started and are in the process of coming on stream.

In the following year, if we go down to 150 group homes and 150 family homes, we have already upfronted hundreds of thousands of dollars to bring on these services prior to the persons being discharged from the institutions. The upfront cash flow that we have acquired in the deinstitutionalization of the plan was between \$10 million and \$12 million without any recapture of dollars from the institutions where the money was being saved.

It is bound to go down over the period of the five years of the plan because we had to upfront more of the money in advance in order to allow the people to come out. One cannot build a brand new group home in one day; it takes six months. One cannot fix up a group home. It requires several thousands of dollars to paint it, put in new furnaces and so on, where houses have been purchased.

We are cash-flowing between three and nine months in advance of the discharge of the individual person into that facility. A family home is slightly different in that the construction is not required. However, the monitoring, screening and interviewing of those people takes a considerable period of time prior to that. It would be correct to assume that in the total plan there would be more committed in the first year than in the second, third and fourth because we are providing upfront financing and bringing on these beds.

Mr. McClellan: What about the situation of children? I have to express a great deal of concern when in one year seven children are admitted to—

Mr. Daniels: Four.

Mr. McDonald: I think there were seven reviews at the Jann-Lynn Children's Nursing Home.

Mr. Daniels: Four admissions.

Mr. McClellan: Are you saying that was the only residential space available in the region for those four kids?

Mr. McDonald: What we are saying—

Mr. McClellan: If I can just finish the thought, I think it is really a mistake to be using the homes for special care for children.

I am willing to take you up on your invitation to visit Jann-Lynn. I would very much like to do that. I have visited, for example, the Rygiel

Home in Hamilton and I have seen the way they are able to move children in and out and into the community. I have seen the tremendous array of programs and supports they are able to offer for children with very severe developmental handicaps, the way they are able to get them in and out through the program and into community placements. They really work miracles.

4:40 p.m.

I do not believe homes for special care have, even with the triministry project, the full range of services that a place like the Rygiel Home is able to obtain under the Developmental Services Act. I stand to be convinced and, as I said, I will take you up on that.

If there is any kind of pattern or trend towards using nursing homes as appropriate places for children because of the triministry project add-on services, I think that is a fundamental distortion of the purpose of the triministry program, which was to rescue children—and adults as well, but primarily children—from institutional care and to make community residential places available with the necessary kinds of support services.

Mr. McDonald: If I could just interrupt, I think the disagreement we have is what is a community placement versus what is a nursing home or an institution. The problem basically is that since 1970 the ministry has reduced the population in facilities—forgetting what the facilities are—from 3,232 down to roughly 612; that is 282 in schedule 1 and 330 in schedule 2.

I also invite you to look at some of those institutions and see the condition of the remaining children in those institutions. I will not go into that in detail here at the moment. However, with respect to the home-for-special-care nursing home, we have been working with the Ministry of Health, not only in Ark Eden Nursing Home but in respect to all the children.

The only disagreement we have is whether or not it is an appropriate place for the four kids in the facility you saw in the picture. We believe that is the appropriate place for those types of children; it is similar to what we believe might be the appropriate place for some of the kids in the schedule 2 facilities. We believe facilities are required for some of the children. You are saying that Jann-Lynn, because it is a nursing home and a home for special care, is not the right place. We thought it was the right place for these children because we had 36 referrals. Otherwise we would not have allowed it.

The Canadian Association for the Mentally Retarded would have everyone in the community. There is a split view in the Ontario society

that everyone should be in the community, and it depends on whether your child was born in the last 15 years or whether you are—some friends of mine in Hamilton, 25 and 30 years ago, really had no place to deal with the children.

We are now working very closely with the Ministry of Health with respect to the 84. We could not guarantee that all 84 would be in the community; nor would they be in institutions. We are trying to separate those 84 from the "nursing home system" and we are trying to figure out where the appropriate placement will be. Ark Eden was accomplished; it was the Reena Foundation, with specific homes for specific kinds of kids. There are some other children there who can go in those types of homes; there are some who cannot.

Mr. McClellan: You have anticipated my next question.

Hon. Mr. Drea: One has died. One of the Ark Eden children has died.

Mr. McClellan: Yes, I am aware of that. How many of the residents from Ark Eden went to community placements, both residential and—

Mr. McDonald: All the children, but not all the people in Ark Eden were children.

Mr. McClellan: Right, I understand that.

Mr. McDonald: All the children went to community placements. There were two who were borderline problems. Both cases were discussed with the parents, who agreed they should be in a residence. There are some children whose parents want to have them go into residence now in the regular community whom we are pretty uptight about seeing go into a six- or seven-person "group home" or even a heavy care home. For one reason or another, as they move into their teens they begin to fail because of their medical condition.

We are a bit nervous about some of those things. We deal specifically with the parent on those things and we have a pretty clear understanding with their doctor about where we put them. We try to do it on an individual basis, and in some instances parents insist they want a child to go to a specific place. We try to respect and honour that wish.

Mr. McClellan: I think what was accomplished at Ark Eden was really very good. I understand the circumstances of Ark Eden were unusual to say the least. Then we had a crisis situation and it forced a kind of co-operative response involving the Ministry of Health, the Ministry of Community and Social Services, the

Reena Foundation and the Ontario Association for the Mentally Retarded.

As a result of that tremendous co-operative effort, a major rescue operation was accomplished. Notwithstanding a lot of difficulties, the facilities were developed and people were accommodated in residential facilities. If you had talked to people three years ago about moving the people from Ark Eden into the Reena Foundation facilities, they would have said you were talking through your hat.

Hon. Mr. Drea: I think you should also point out, in fairness, that every one of the parents would have opposed such a proposal vehemently and would have been on your doorstep.

Mr. McClellan: That is right. That is absolutely true. I am just saying I think out of that crisis situation one of the things we have learned is that everybody—parents, service providers, association members, ministry people, the people who were closely involved—concluded in a very friendly way that these people could not get along in community placements. We have discovered that they can and that they are much better off and much happier. The families are happier—

Hon. Mr. Drea: Please, the semantics now. These are special community placements.

Mr. McClellan: Precisely.

Hon. Mr. Drea: I do not think the impression should be given that these are ordinary—

Mr. McClellan: No. That is precisely the point. They are special community placements. It should not require a crisis situation, such as the need to shut down the Ark Eden Nursing Home, in order to build these special community placements. That is the only point I am making with all this stuff.

Hon. Mr. Drea: I am not going to argue with you, but I think you have to concede that, were it not for the crisis, the parents would have so opposed the move that it would still not have been made. You and I have discussed this and I do not want to get into the merits or demerits of that attitude, how it comes about or anything else. In fairness, I think you have to concede that.

Mr. McClellan: I concede the difficulty and I concede the difficulty is made much worse by the absence of special community residential facilities. I think the responsibility is on all of us to try to develop these facilities, to get them in place and then to show people whose children are in homes for special care, nursing homes or other institutions what the alternatives really look like.

Hon. Mr. Drea: That is precisely what we did to overcome parental concerns about the institutions.

Mr. McClellan: My problem in a nutshell is that I do not see it reflected in this year's estimates book. I would be a lot happier and I would not be raising this concern if I did not see on page 98 a decline in the number of group home spaces. I assume that is the area where the specialized community residences you are talking about show up in the estimates book.

Mr. McDonald: We announced the closure of six institutions over five years. We could have put 200, 200, 200, 300, 300, 300, and made them all even, to try to time the closing of institutions. We could not do that even if we had brought out an equal number of persons during the five years. We would have had to bring on and commit more units in the first year that would show up in the statistics than the number of people who were actually living in the units, because it takes a while to bring them on. We do not disagree about the difficulty with parents and others.

In the case of the St. Thomas Adult Rehabilitation and Training Centre, I stood in front of 370 parents in an auditorium and they said we could not do this. We could not put their children, who happened to be between the ages of 20 and 35, into the community. Those people had to go around and look at the group homes and at the other places. Now they are the biggest supporters of the process, which has developed over 30 years. We are getting to the very high level of this process at the moment and we want to continue it.

4:50 p.m.

Mr. McClellan: I concur with that. I think it is a shame that we still have to place kids in Jann-Lynn instead of in the kind of specialized community residential facilities that you and I know lead to a much happier life for these kids. An institution is an institution and it produces institutional behaviours; with the best will in the world, it just is. There is a big difference between living in an institution with 40 or 50 other people and living in a more family-like environment.

Hon. Mr. Drea: We have to qualify that again with the word "appropriate." To take a child who requires chronic medical care in addition to care for his developmental handicap—as is the case of those in the facility at Orillia—away from that very specialized medical chronic maintenance care is not appropriate. To take a blind, deaf, psychotic child away from Cedar Springs at

Blenheim, where there are specialized units, and put him in a place where they lack these services is not appropriate. I agree with you, but I think you have to say "appropriate."

Mr. McClellan: I am talking about the four kids who were admitted to Jann-Lynn. Are you saying that none of the four kids who were admitted to Jann-Lynn could be accommodated in the kind of special community residential facility that was provided for the Ark Eden kids?

Mr. McDonald: No, we are not saying that. We were saying at the time that Jann-Lynn was an appropriate place for those kids. We invite you to look at that facility and at what it is accomplishing. We will not get unanimity and agreement in the placement of children or adults in or out of facilities.

One end of the mentally retarded spectrum says that every person, no matter who he is, what his problems are or what his needs are, can live on an individual basis in the community. Another group of people says, "I want my child," the 40-year-old, "to stay in an institution because it is a protected environment and I am going to die soon."

Across that whole spectrum we are just trying to do the right thing. We have built up a community system from \$11 million to \$171 million in this province, with \$458 million for the mentally retarded, and we are doing the best we can in the circumstances, given the differences of opinion of parents. But we invite you to go to Jann-Lynn and see whether you think it is an appropriate place for these kids.

Mr. McClellan: As I have said, I am going to do that. But if you are saying, as I understand you to be saying, that if the services were available and if there were space for them similar to that in the facilities that were built by the Reena Foundation so that these kids could be accommodated in those kinds of facilities, then the only thing we should be talking about is how quickly we can get these kinds of facilities built so that we do not have to use places like Jann-Lynn or any other homes for special care or nursing homes.

I hope we come to the day in these estimates when there is not a single child who is being admitted to a home for special care or a nursing home, no matter how much additional service has been pumped into it, but when rather we are looking at a sufficient number of community residential specialized placements.

Mr. McDonald: Just so I understand you, are you also saying that no child should go into a schedule 2 institution for children? Are you

talking about whether it is a nursing home or an institution?

Mr. McClellan: I thought I had mentioned two or three sentences ago how much I admire the work that is being done at the Rygiel Home, because I know the severity of the disability of the kids they take. They are able to run that program as a transitional program to get people back into placement.

I think as time progresses there will be less and less need for any children to go even to the Rygiel Home. I hope that is true; I think it probably is. But I do not believe the triministry program has been successful in converting any nursing home to the level of a schedule 2 facility like the Rygiel Home. I have an open mind on this and, as I said, I am willing to be convinced. However, I have never seen anything remotely comparable to the levels of funding, staffing and volunteer support in any home for special care as there is in a place like the Rygiel Home.

Mr. McDonald: Go to Jann-Lynn Nursing Home.

Mr. Chairman: Mr. Wrye, did you have some questions?

Mr. McDonald: Mr. Wrye posed several questions on seniors, child care, the children's aid societies and the disabled. Perhaps I can talk about the CASs for a moment. They were part of the main thrust of his speech for children.

The contention was there was underfunding in CASs across the province, children were not being served, the case loads were increasing beyond control and the ministry was not coming to grips with the problem.

Mr. Wrye went on to use the Toronto examples of case load increases and declines.

I must indicate that under the service planning each CAS has the right to come for an exceptional circumstances review in year. This year, 27 have done so and the matters will be dealt with prior to the end of this year.

Some of the societies that were mentioned in Mr. Wrye's remarks and in those of other honourable members who have talked to us, will be dealt with on the basis that if there is an increase in costs for children in care, over and above that which they had last year and to which we had agreed, the exceptional circumstances review will make money available if there is none available within other areas of their own operation.

Mr. Wrye indicated the Toronto case load had moved up from 1,623 to 1,671 or whatever the amount was.

Mr. Wrye: It was 1,674.

Mr. McDonald: All right. Subsequent to the review of the 27, Toronto has also asked for an exceptional circumstances review with respect to the cost for the kids in care over and above last year.

However, the case was made publicly, not by the honourable member, that Toronto was underfunded and the ministry was treating them poorly. This has been going on for the past six months. What was not discussed in the last couple of days was the fact that in 1979 Toronto societies had 2,072 young people in their care and in 1982 there were 1,674; almost a 20 per cent decrease. They did not move to change the product mix of their staff—in their case workers, administration, homes, vacancies.

Hon. Mr. Drea: There was one example, as Mr. Kells pointed out, in which there were 10 community workers with absolutely no case loads.

Mr. McDonald: We went to them in 1982 and asked them to reduce their budgets to reflect this and we are now into the third year. However, this does not interfere with their ability to come to the ministry because of the dollars they had in a preceding year and seek an exceptional circumstances review for actual children they have in care over and above their previous budgets.

In almost every instance in which people have come to us during the last third and fourth quarter of the year, that money usually has been honoured.

5 p.m.

In the case of Metropolitan Toronto, the total case load in 1979 was 6,590 cases; in 1982, it went down to an actual 5,581, a drop of almost 16 per cent. They did not move to change the way they dealt with children.

There are 235 direct workers on the front line in the children's aid society, but there really is no afternoon shift; so if the police pick up young children on Yonge Street and take them to a receiving home, there is no counsellor there to look after them, although there are hundreds of people working in the system. My minister will be making some announcements at the first part of the year, after our discussion with the Metropolitan Toronto Police, to do something about some of these problems.

I do not wish to labour the point, but I will be happy to send the honourable member the statistics from 1979 to 1983 to show what we have done to reflect actual cost and what we have done to readjust the dollars in the Metropolitan

Toronto CAS to the Catholic and Jewish communities, whose case loads and whose percentage of population have increased.

With respect to the integration items, I will not go into them in detail because I tried to answer them with the member of the New Democratic Party. However, the one item we wanted to talk about in very general terms was day care and the Canada assistance plan and the work going on now within the federal committee, within the ministry and within the committee.

We believe that some time next year, the federal government will be finalizing its work with respect to child care. It is a combination of all things—the availability, the affordability, the access, income tax exemptions and places—but we disagree very much with you about the informal situation. There are 385,000 children this very day—Christmas holidays are not on—being cared for in the province. Of them, 90,000 are in formal day care, with 25,000 being subsidized. The waiting-list pressure we have is from the economic area and not for the care area generally, because the other people seem to be satisfied with what is going on.

There is an area between the 25,000 subsidized and the 90,000 formal that has to be addressed. No one is saying it does not have to be addressed. The only difference we have with the regular day care community is that if you mention the word “informal” it raises hackles. They get all upset. What they are really saying is that the grandmothers, the aunts and the next-door neighbours who have children do not have the ability or the right to assist other mothers in looking after children.

We estimate right now that it is a \$900-million business in Ontario. Money each day, each week is changing hands, and we fund \$150 million in subsidies for 25,000 people—between the municipality and ourselves—and the remaining almost \$785 million is money transferring in the marketplace between the 70,000 licensed spots that are not subsidized and all the ad hoc arrangements that are made—by “ad hoc” I do not mean they are not satisfactory arrangements. We agree that from time to time, there is danger, but we agree that there is danger in family households for child abuse, let alone the whole of society.

We are ever mindful of that in our child abuse legislation, and in that regard the abuse has gone up. You mentioned this in your remarks. Reporting of sexual abuse has gone up quite significantly over the past year; there have been 385 cases up to the end of October. We are very

cognizant of it. We know where these abuses are taking place. We have been discussing certain things with the police. We have been discussing certain things with certain children's aid societies.

The remedial action that will have to be taken in this area in the longer term, if this continues in our society, involves a combination of the whole children's services—not only the children's aid societies but also the youth bureau of the police, children's and youth institutions, children's mental health. It is very much on our front burner, because we are not going to allow any of these children to continue in unsafe places. We are taking some remedial action with respect to that.

As far as day care is concerned, there were comments by one of the other members with respect to the rural day care area. In the Treasurer's budget of last May, he made available to this ministry \$4.8 million for regular day care and approximately \$1.9 million for day care in the employment support initiatives program. That \$1.9 million next year relates to an additional \$10 million.

As part of the thrust, we are looking at rural resource centres in Ontario in which information will be disseminated. There will be the ability to match farm wives who only work on Thursdays and Fridays as cashiers in a Dominion store—no plug for Dominion—

Hon. Mr. Drea: It is better than the IGA.

Mr. McDonald: Or Loblaw's, IGA, Woolco or—

Mr. Wrye: N & D Supermarkets is very big.

Mr. Hennessy: Okay, you have made your point.

Mr. McDonald: During the period of time when they are harvesting, normal full-time day care spaces in these small communities do not have full occupancy, and they get into financial problems.

This matching system will involve the following areas—these areas are not totally finalized yet, but they will be by the end of the fiscal year; some of them may drop out and some others may come in—Owen Sound; Kincardine; the Bruce Peninsula; Erin; Arthur; Wallaceburg; Wingham; Clinton; Geraldton; Longlac; the Muskoka district; Sioux Lookout; Sudbury; Sharbot Lake; the united counties of Stormont, Dundas and Glengarry; the counties of Prescott and Russell; Brockville; Northumberland; and Newmarket and Orangeville in the central region.

We will have staffed rural resource centres, telephone-line information, and a matching system beginning to develop, especially in the farm community, where you need peak care, not regular day care. We will have to change "informal" to a better word, because it is reasonably structured, but we think the system will be able to assist the farm wife on those days when it is required, or during the high-peak harvest period.

The other area we want to talk about is work place day care. This ministry has negotiated, and is finalizing negotiation for, work place projects for staff and teen mothers at the Wheels Inn in Chatham, Polysar Ltd. in Sarnia, the Kemptville College of Agricultural Technology and the Durham Board of Education. There is one at the Harbourfront work place, down on the Toronto waterfront.

There are tentative discussions with Ontario Hydro and other government agencies across Ontario. Hydro is of interest to us. We think it should be a co-operative of women, with space being supplied by industry. We think the direction in which to go is that of women banding together, having space made available in the private sector, and running it co-operatively. Both women and industry would have a vested interest in this. We would very much like to see this developed.

5:10 p.m.

The other two areas that were discussed were family violence and the disabled. We would like to reiterate that the Treasurer did make available to the ministry \$30 million over the next five years for expanded attendant care in structured places and in the outreach program.

The program for the 78 spaces and the outreach program for this year is well under way. Many are now operating, and by the end of the year, the commitments for bringing those on stream will have been accomplished. The groups for next year are already being lined up, and we will have no problem in bringing these things in on schedule.

Cash flow may be a problem in that when we commit 78 spaces this year, put dollars in a budget for half a year and cash flow for only four months, in next year's estimates someone may say to us, "By the way, you did not spend \$100,000 in the attendant care line." It would only be because of the cash flow and trying to project five years in advance how much money we will need every year to do the cash flow.

The whole area of family violence, child abuse, wife battering and general violence in the

family is on the front burner with the ministry, as is evidenced by the \$2.5-million to \$10-million increase in the moneys made available during the past 18 months, especially for battered wives and their families.

However, we still contend that block funding is not the route to go. If they run the houses on 80 per cent occupancy, the per diem as we have adjusted it, plus the amount for counselling that was made available over and above that which is not on a per diem basis, should be sufficient in combination to stabilize those homes and keep them running very well.

However, some of the transition-house people want to get into child care, into children's aid society work and into children's mental health work. We believe that the CASSs, the children's mental health centres and we ourselves have to build bridges to those transition houses so the services in places all across Ontario will be able to react to children who have found themselves in severe difficulty rather than to try to duplicate this system in the 60 to 70 transition houses that are already in most communities.

We think we have to pay a lot of attention to family violence during the next several years. As the minister said the other day, something is happening in society that we did not see three years ago. We are discovering those cases only now because of our reporting system. With the police and with some of our social workers, we are beginning to find really bad things on the street in Toronto: pictures of husbands and wives hurting, abusing and sexually abusing kids within their own families. It is not really the uncle, the aunt or someone next door any more. It is right out in the open; it is something in our society.

We do not know the reason for it; I do not think anyone does. But it is one of our top priorities to take a very hard look at and to bear in on this. Some of the announcements that the minister will make in the next 60 days, we hope, will be helpful to that situation.

Those are the five things the member for Windsor-Sandwich (Mr. Wrye) had brought up.

Mr. Wrye: I want to pursue a couple of things, but let us start with the sexual abuse problem. I appreciate what the deputy has said because it is a terrible problem.

Hon. Mr. Drea: I might say too that there was an interprovincial meeting of ministers responsible for social assistance here last week. It is very much a concern to each one of the other nine. This is one of the few occasions when there is going to be a special conference on this

matter—not a public one, but a special conference in the spring—so there can be yet another meeting with various ministers in the federal government.

While the circumstances are different in each of the provinces, what we were talking about—sexual abuse, sexual exploitation, pornography and prostitution, male and female, in-family sexual abuse and extended-family sexual abuse—are right across the board. The only differences, I guess, are the geography, some of the circumstances and the numbers, based on population of course. There are many common denominators.

Mr. Wrye: I would like to say, just in an anecdotal way, that this problem was brought home to me on Monday of this week when my fourth-year social work student, who is a replacement in my constituency office and who also works for the children's aid society, came in. While she was sitting discussing a couple of other cases with me, she told me about an in-family case she handled on the weekend with four very young children. Suffice it to say—charges have been laid, so I will not discuss any specifics of it—it is a really terrifying and horrifying example.

One of the initiatives of which I spoke in my opening remarks was additional funding for, obviously, the handling of these cases through the children's aid societies. One of the problems that has been brought to my attention by the various societies is the amount of CAS workers' time that is spent on many of these cases, and in this case just on the various interviews that went on with the children. This one worker spent the best part of her weekend on this one case. It was all day Saturday and all day Sunday; it started at nine o'clock on Saturday and went to 10 o'clock on Sunday night.

I spoke about the funding for the Ontario centre, but I also spoke about funding at the local level. Is that being contemplated?

Mr. McDonald: I think we are looking at a broad range of items. We do not mean to push it back on the CASs, but I will take the opportunity to do that to one.

There are 238 workers in the Children's Aid Society of Metropolitan Toronto and 10 additional community workers not carrying a case load. The average case load is 22 or 23, for everything from adoption to otherwise. The Catholic society has X number and the Jewish society has X number. If you increase the case load of workers by one, you can double up 238 cases which relieves 10 workers automatically to work in a different environment. We do this in many areas.

We think some of the larger areas, along with our help in certain areas—and this is what the minister will be talking about a month from now—will have to rethink how they deal with their case load based on the fact that a lot of people come in at 8:45 and leave at 4:45. Many people do it. I am not saying that in a derogatory sense; those are their kind of hours. There are people who are there for the weekend, such as this young lady; there are supervisors at the Metro CAS who are there on the weekend, and there are program supervisors who are there on the weekend.

However, we are also looking at the very small CASs, where there is a very different kind of problem. They may have 10 workers in a CAS in a small area and they are beginning to identify nine or 10 cases during a year—I do not want to mention the places because it really does not matter. They are now beginning to have some problems in handling the cases because they have never seen the numbers before. For them, going from three to 10 is a lot. We are looking at these smaller—

Mr. Wrye: With a small number of workers, they lack flexibility with respect to numbers.

Hon. Mr. Drea: Invariably the smaller CASs cover the longer geographic distances, with the exception of one.

Mr. McDonald: One of the items we are looking at is what we can do to help those smaller CASs in larger districts. At the same time we are looking at the large CASs to see what flexibility they have.

5:20 p.m.

In major metropolitan areas, we are looking, with the police, at how we can do something "after hours," when a lot of the real degrading action goes on: street prostitution, pornography, drugs and some organized crime. The younger women are not necessarily in organized crime—it is the older ones who are—but they could get into it.

Those two items are going to be dealt with in the very near future.

Hon. Mr. Drea: I think, Mr. Wrye, we are getting a little tired of hearing complaints about the law. The Criminal Code of Canada may not be perfect, but we do not think that should be an excuse for inactivity. Certain aspects of the Young Offenders Act may not be perfect to everybody in the child protection area. I am not talking about our YOA, but about the enabling federal legislation. That should not be an excuse for inactivity.

Whenever you have law, you always have to recognize that there can be changing times. Because the law is a reactive thing there has to be problem there. Anticipatory law, they tell me, is bad law. This is one of the areas on which we are going to focus. The laws of this country are basically more than equal to the task.

When there are new challenges—and I think the anti-social always throw new challenges in front of the law—we respond in kind. I hope before the first of the year, we will be doing so.

Mr. Wrye: Before I get off the CAS discussion, I want to set aside—

Hon. Mr. Drea: Excuse me. I know you started out on the CAS, but when Mr. McDonald and I are talking, we should say “and agencies.”

Mr. McDonald: Other agencies too.

Hon. Mr. Drea: In some cases the CAS rightfully depends upon other agencies to deliver or to cope with—

Mr. McDonald: Very specialized services cope with very specialized problems.

Mr. Wrye: I wanted to talk about the CAS's deficit problem. They certainly have a peculiar problem.

Hon. Mr. Drea: No, not any more. I do not think you will hear about it any more.

Mr. Wrye: That may or may not be so, but let us deal with the other areas.

Hon. Mr. Drea: Could we just deal with a couple? You raised Kitchener at the beginning.

Mr. Wrye: I raised Kitchener earlier this year.

Hon. Mr. Drea: As we told you, we did not understand that at the time. Certain changes have been made in Kitchener. I do not think your survey indicates that Kitchener is having the difficulty you foresaw.

Mr. Wrye: I also raised Sudbury in my comments. The areas I mentioned today include Sudbury and the area of my friend the member for Nipissing (Mr. Harris).

Hon. Mr. Drea: Changes were made in Kitchener which once again reflect—

Mr. Wrye: There does appear to be a deficit problem in the funding that in some cases is ongoing. They have exceptional circumstances each and every year and they certainly can apply for that. It is a dicey situation in that they have to get this problem solved. If it is not solved through review, they have a real problem because the money is already spent.

I do not understand why there appear to be deficits in six cases out of 10 in our own small survey. That is a 60 per cent deficit situation. I do

not think that having an exceptional-circumstances review each and every year is appropriate.

Hon. Mr. Drea: One of the things you should look at in the beginning is that sometimes exceptional circumstances mean unforeseen circumstances. Many of these cases arise because they came to an unforeseen situation. For instance, the one you started to describe had to cease because of a number of factors that would never been foreseen in anybody's statistics or anybody's operation.

If the situation turns out to be what you say it is after a couple of days' investigation, it is going to be a very long, involved and expensive case. At the beginning of the year nobody would budget for that. You would not even anticipate that.

Even if you eliminated all deficits—they had a surplus—you would still need exceptional-circumstances reviews to get over the idea this is a kind of budgetary device to iron out at the end of the year. The title says what it is.

For instance, let us take a small children's aid society. If there is a fire where a sole-support parent is either incapacitated or killed, and there are a number of children who have to be cared for with very specialized needs—say some of them are handicapped or something—this is an exceptional type of thing. You may have a situation of in-family violence that results in a death and another person being charged with the death, so that you have to pick up, wait for a trial, go through all kinds of care, etc., while awaiting a resolution. These are things you hope do not happen. You do not know where they are going to happen, but there still has to be a vehicle.

Mr. McDonald: One thing we did, as Mr. Wrye pointed out, is, prior to service planning, prior to 1981, CASs used to come with deficits which went through a process and got paid if they were legitimate. When the service planning came in, most CASs had surpluses from 1981 through early 1983. Some continued to have exceptional-circumstances reviews, which almost were on base problems.

When we look at the exceptional-circumstances review, in the cases we have looked at, where there has been an exceptional-circumstances review for two or three years, whether it is \$20,000 or \$40,000, we split based usually on agreement although sometimes we fight about it, with some in the base and some continuing at exceptional circumstances.

In the case of one society this year, and I will not go into the names because they have not been notified, there is one that will have over

\$400,000 put in the base, because they have had a problem for the last 18 months. Before that, they had a surplus. But it really is an ingrained problem that has moved in and so we want them to budget legitimately.

Another society had \$100,000 once and \$12,000 went to the base because the rent went up. It is a very small society and they had no place to get the money. We do look at both, and what will be reflected at the end of the year will be base moneys put into some of those societies in total. Some will be split. It is usually based on the last three years, whether it is just a rise in the case load or whether it is an ingrained cost in their whole organization. Obviously if someone needed a worker for sex abuse in an area, one would have to put the total dollars in the budget for that worker. You could not do it by exceptional circumstances. You would have to increase the base.

Hon. Mr. Drea: One of the reasons they have started developing surpluses is we encourage them with incentives to get out of the high cost of care business, because we felt, and I think we have been vindicated, that a lot of it was unnecessary. It could be handled in non residential or other settings. Even if you did need day care, a residential facility, you would have it close to home, not 100 miles away. That produced some surpluses.

Now what is eroding the surpluses and bringing people much closer to the line is that the number of "difficult" cases are increasing. Not necessarily from sexual abuse. Many of them are the results of family violence, personal abuse or sexual abuse coming home to roost five or 10 years later. There is a very hard core of difficult cases. They are difficult to put in perspective because they are not yet in conflict with the law, formally. They are definitely anti-social.

Mr. McDonald: I am informed that we have told a couple of people about the changes. We will just use the Nipissing one as an example. They will have \$320,000 will be put in their base at one time, even though there has been the exceptional circumstances review and a detailed discussion over the last year. There are a couple of other items—

Mr. Harris: I will go make the announcement.

Hon. Mr. Drea: We thought we did. I told them at that dinner you had me at.

5:30 p.m.

Mr. McDonald: There were a couple, I will not mention names because they have not been

notified. There were \$77,500 in a base, \$60,000 in another. There is no one point because it has occurred over the last two areas and it is not going to go away. So you don't put them to the test.

Mr. Wrye: Do we have time before we go to the vote?

Mr. Chairman: We were to complete them today, I believe. The House leaders agreed we would.

Mr. Wrye: How much time do we need for the vote?

Mr. Chairman: I do not need much.

Mr. Wrye: I want to talk about child care for a moment, and expand on the rural resource centres and what you contemplate. They are the first steps towards solving a problem. I like to admit when I am caught by surprise, but quite frankly what I read in a report in May from the Ministry of Agriculture of Food, and what I found in September, really startled me. I do not have a farm in my riding and it is very hard sometimes for an urban member whose constituency is five kilometres by five kilometres to begin to get a real grasp of the different realities in Bruce county or Huron county or up in your area, Mr. Chairman, Simcoe county. It really was quite startling.

As I understand it, the centres are going to provide information for those people, particularly rural individuals who may need it not only on an ongoing basis, but in the short term, harvest season, certain days of the week or whatever.

Hon. Mr. Drea: They will serve rural areas and small towns. You do not necessarily have to live on a farm.

Mr. Wrye: Let me ask you about a couple of problems. First, are you contemplating beginning to move in these regions into something between what I would call an informal setting and what we have in private home day care?

Mr. McDonald: Let me just give you an example. I will not mention the name, but there is a day care centre that has 32 licensed spots. They are always in deficit. The ministry does not give them enough money. They have a new building to pay for and so on.

Hon. Mr. Drea: Also, it cannot attract that many space fillers 52 weeks of the year.

Mr. McDonald: The problem is 60 per cent occupancy. There are only a couple of five-day work place jobs for women. So somebody comes Mondays and Fridays, somebody else comes

Tuesdays and Thursdays. Some come every morning or afternoon.

The solution would be to reduce the number of spaces from 32 to 24. That is the business solution: to put a family resource centre with day care in order to outreach into the community and look for 100 spots for all the part-timers and stabilize the 24 spots at almost 100 per cent occupancy.

In three of the areas we are looking at trying as a pilot, we plan that the resource centre will have a very small day care centre doing the outreach.

Where we have the rural resource centre itself in a small town serving the farm community, we want to make literature available: what a good day care space is, what kind of toys the kids should have, what you should expect, how you should check the person who is going to provide the service. We will advertise in that area that this service is available. People who want to have their children looked after will put in their names.

We are also trying to interest three or four groups in those areas, a church or a women's group, to become part of that process, so there will be not really a board of directors, but a resource group that really is interested in this business.

If a day care centre is required in a more formal setting later, they will know the number of people who need care five days a week and so on and they will not put in a new centre in and find themselves in trouble right from day one because they cannot fill the place.

We see it working in reverse. We will provide the rural day care resource centres across the province. We will try three of them where there is a centre now and the centre is really using regular, formal day care spaces. One of the them has a little bit of the private home, and we want to do the informal and see if the three can work compatibly with each other.

Mr. Wrye: I do not want to be too heavy-handed about informal day care. I am well aware that when we talk about informal day care we are talking very often about the extended family. I am under no more illusions that all informal day care is bad than I am that all formal day care is good; one gets a mix.

Hon. Mr. Drea: Do not get me into trouble with the member for Fort William (Mr. Hennessy). Freedom of choice.

Mr. Wrye: But clearly what our committee found to be a concern was that there was a lot of poor-quality informal day care.

Hon. Mr. Drea: I will only tell you about day care. Do not get excited.

Mr. Wrye: I am going to use an example from that member's own community.

Hon. Mr. Drea: No. You do not understand freedom of choice.

Mr. Hennessy: Do not worry about it. It is a small town.

Mr. Wrye: The member for Fort William sat in with our committee that day and he will remember well the woman who came before us who had gone through the horrible experience of trying not once, not twice, not three times but four times to arrange an informal child care setting for her child.

Mr. Hennessy: Right.

Mr. Wrye: The four experiences she identified for us were, to put it generously, most unacceptable child care for her child. The problem was that she had gone to the Canada Employment and Immigration Commission. She had taken a look at the postings and had attempted as best she could to find out whether these individuals would be appropriate for her child. In all four cases she was faced with really very unacceptable circumstances and arrangements.

I say this by way of leadup. Concerning your arrangements in this rural area, would it be your view that if people were to express an interest in taking on some child care—full-time, one child a couple of days a week or whatever—there would be some effort on your part to ensure that these people are cleared for having an appropriate setting and are appropriate people? I am not looking for a major investigation.

Mr. McDonald: No. We do not intend to do that. A checklist brochure will be available in all these centres. A mindful parent with a child will have to go to that place himself or herself or with his or her spouse and go through the whole process with the person in question.

We will explain what one should do; the resource centre will do this. There is a checklist: "What is Mary going to have for lunch? Please do not let her have television. Here are the kinds of toys she should play with. We have little books. Oh, by the way, Mary has a bit of asthma. If she wheezes, do not worry about it."

There is a checklist that will be used. We think that with these 18 or 20 rural resource centres and by really monitoring this very closely we will be able to build on our experience.

In the other area we are also putting the hub models into effect, probably in the Waterloo area, Kingston, Peterborough and North Bay. We are going to try to tie all the services for day

care together and to interact, try to build bridges among informal, regular and private home day care so that there is a wide range of choice. We will advertise to the community how people should do this rather than become the policeman of every placement, because it is not our intent to bureaucratize the process.

A knowledgeable mother and father with information from the resource centre should be able to make a knowledgeable decision. If the child does get into some kind of unsatisfactory day care, the parent can come back to the resource centre and ask, "Do you have any more names?" We would prefer that instead of walking down to CEIC, whose job is to try to place 1.3 million people in jobs, they consult these specialists in this area.

5:40 p.m.

Mr. Wrye: If you are going to let parents do it, if you are going to have this checklist for them—and as someone who hopes he is a responsible parent, I think parents have some responsibility to try to check the arrangements that are being made and make sure they are appropriate—let us use an instance in which a child is placed in a certain arrangement. The parent has satisfied himself or herself that this is going to be an appropriate arrangement and it is not; it turns out that this is a terribly inappropriate arrangement.

Is there going to be some effort made for parents who go through the resource centre, who are going out into the community effectively to do that work of checking, to let them know that they should get back to us and let us know, in a kind of better-business way, if things are wrong? You could get some complaints.

Hon. Mr. Drea: I would think they would go back to the resource centre.

Mr. Wrye: They might or they might not.

Hon. Mr. Drea: I would think they would.

Mr. Wrye: They might just get turned off.

Hon. Mr. Drea: First of all, they have to find another one. If they are getting their information from there and if they are responsible parents, they would obviously go back and say: "Hey, you had better go out and have a look at this one because we did not like what we saw. Here it is."

Mr. Wrye: You would hope that.

Mr. McDonald: In a small town it is much easier than in downtown Toronto. We think the rural resource area will be very good for the rural area.

In the larger area the hub model is probably better, where all the groups co-operate together

and have a very wide network of operation. In Toronto one might have drop-in centres for informal care givers where people can come down for a coffee and discussion.

That expands the knowledge of who else is available to do this kind of thing. There is a monitoring process in itself that goes on, a kind of peer monitoring system. However, the parent has to be ultimately responsible for his or her child.

Mr. Wrye: I will ask one more question, Mr. Chairman, if I might, before the extensive and wide-ranging estimates come to a conclusion.

There are stories, instances which we were given during our hearings, of smaller communities which will not get into municipal day care. That is a real problem for the people living in those small communities who may wish it.

They are not getting into it, let us be generous and say, for a variety of reasons. I could suggest to you some not very nice reasons why some of them do not. Part of it is that some of them genuinely feel they cannot afford it. In some small communities, to be quite honest, those who sit on the councils may to some extent have a vested interest in ensuring that their property taxes are not substantial—

Hon. Mr. Drea: I think you have two other reasons besides isolation and so forth. Number one is the fact that the Canada assistance plan is in a quandary about what to do with subsidization. I think that was brought up earlier.

There are discussions under way with the new federal minister on that matter. That is because the jurisdiction for child care has not been firmly decided between the Secretary of State and the Minister of National Health and Welfare.

The second one is the child tax credit. It is my firm belief that if the child tax credit were brought into the 1980s, because right now it is nothing, this would begin to provide the appropriate mix in the smaller communities of those who would and would not pay.

The problem in the smaller communities right now is that the cost of a day care centre is prohibitive. Therefore, the people who could and should pay for them and not be subsidized are not using it. That means it is a total subsidy thing, which then means that their 20 per cent is very much higher.

I do not think the tax credit is much of a money loser for any government. We would lose some money, and primarily the federal government would. However, if that was brought up to a decent level, the professional people in eastern Ontario and other places—school teachers, civil

servants—would be in a position to use that. Therefore, that cost to the small municipality and to the ratepayers would be—with more CAP sharing in addition to that—very much minimized.

Not getting into any ideology there, and there is no question that it does occasionally get in, I think the two big reasons are financial. One of our problems across the province is the insistence by CAP and the federal government that the subsidy be on a means test and not on a geographical basis, which we once tried, and not on an overall needs criterion, and that we keep the centre going. That has produced a very real problem.

The municipalities tell me things. In the north one tells me: "We know we should not be subsidizing these people, but if we do not subsidize them, we cannot have a day care centre. What are we to do? We will go on subsidizing while we try to figure out a way with the minister." I think there is a very valid concern. If we are going to have a wide variety of child care, we do need a prime resource centre. There is no way we can have a balanced mix

without space. There has to be a subsidized space program in there.

We were doing quite well up until about a year and a half ago. It seems to me all that has changed in that year and a half is the failure of the child tax credit to keep pace and some interpretations by federal bureaucrats of the Canada assistance plan. The interpretations are a big question with the provincial ministers. The new minister, Mr. Epp, has promised more consistent interpretations that may come to grips with the problem.

Mr. McDonald: I want to clarify one thing. When I talked about the 358 sexual abuse cases I met with in the CAS system across Ontario, they had nothing to do with day care. I want that clarified in case of any misunderstanding.

Mr. Chairman: Shall we carry the votes?
Votes 3201 and 3202 agreed to.

Mr. Chairman: This completes consideration of the estimates of the Ministry of Community and Social Services.

The committee adjourned at 5:47 p.m.

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From the Ministry of Community and Social Services:

Daniels, A. F., Assistant Deputy Minister, Operations
McDonald, R., Deputy Minister

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